

**Education Workforce Council**

**Annual Report and Accounts**

**for the year ending**

**31<sup>st</sup> March 2016**

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## **Performance Report**

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## Foreword from Chair

Dear colleague,

This document is the first Annual Report of the Education Workforce Council (EWC), following the renaming of the former General Teaching Council for Wales (GTCW) under *the Education (Wales) Act 2014*.

The EWC's first year has been an extremely challenging, yet rewarding one. The newly constituted EWC held its first meeting on 22 April 2015. The Council is 14 strong and comprises members from across the education professions in Wales as well as lay members who reflect the fact that the Council is expected to regulate in the interests of learners, parents, guardians and the general public. I am pleased to report that we have been able to retain the knowledge of a number of former GTCW members as well as benefiting from fresh perspectives brought by new appointees.

One of the significant changes brought about by the Act was that government determined that professional registration and regulation would be extended under the care of the EWC to additional groups in the education workforce between 2015 and 2017. This is a response to the changing education landscape and composition of the workforce in Wales and will help pave the way for greater understanding and recognition of the important role that all practitioners play in educating learners and developing their potential.

Within this context, a significant amount of the Council's work over the past 12 months has involved bringing over 6,000 Further Education teachers onto the Register of Education Practitioners in April 2015 and preparing the way to register up to 30,000 learning support workers in schools and colleges from 1 April 2016. We have been indebted to local authorities, schools, colleges, trade unions, Colleges Wales and other stakeholders for the support we have received in ensuring that this mammoth task has been completed successfully. Over the past year, we have met practitioners and organisations from Anglesey to Monmouthshire and the response has been overwhelmingly positive.

The Welsh Government consulted in January on proposals to extend the Register even further to include work based learning practitioners and youth workers from April 2017. These groups comprise around 4,000 practitioners in total and we have begun early engagement with both sectors in anticipation of this possible development.

In addition to the developmental work described above, the Council has maintained its high standards of performance in carrying out both its ongoing statutory duties and grant funded work for Welsh Government. The Register is relied upon by employers and the public as an important safeguard in Wales and the Code of Professional Conduct and Practice continues to be heavily used by registrants,

employers and the public. We effectively handled over 170 fitness to practise investigations and hearings during the year, including cases concerning FE teachers for the first time in Wales. We are ready to take on similar responsibilities in respect of learning support staff from April.

The Council's advisory role has been to the fore this year. The EWC was represented on several significant national working groups on matters such as the revision of professional standards for teachers, the implementation of Professor Donaldson's recommendations on Curriculum and Assessment, the accreditation of initial teacher training and Early Years. We also used our unique data from the Register to advise the National Assembly for Wales, Children, Young People and Education Committee about supply teachers in Wales. The Council has led the development of a Professional Learning Passport, which was one of the Minister's priorities under the New Deal. The Passport was successfully launched in September and we are currently working with government to introduce an enhanced version in 2016-17.

The Council's core income is of course generated by registration fees. It is important that fees remain at a realistic level and indeed the EWC's fees (set by Welsh Government) are extremely reasonable and modest compared to other professions. EWC officers have embarked upon a radical programme of cost and business efficiencies that mean that the Council is lean and in a position to flourish in coming years. The Wales Audit Office has given an unqualified audit opinion on the 2014-15 accounts and our internal controls have again been verified by our internal auditors who have given us high levels of assurance about the quality of our systems. Our cycle of internal policy reviews has ensured that our approaches remain relevant and robust.

The Minister announced to Cabinet Office in July an intention to consult on the transfer of additional functions to the Council. The Council welcomes this as it would mean that education professionals in Wales would have, through their professional body, similar delegated responsibilities to their colleagues in other countries and professions. This level of trust by government has to be welcomed and we look forward to formal consultation following the May Assembly election.

It is with great pride and pleasure that I commend this first Annual Report of the EWC to you.

Yours sincerely,

Angela Jardine

**Chair**

## About us

### **Introduction**

The Education Workforce Council (EWC) was established by the Education (Wales) Act 2014. Under the Act, the General Teaching Council for Wales (GTCW) was reconfigured and renamed to become the Education Workforce Council (EWC). The EWC came into being on 1 April 2015.

### **Our vision**

To be a credible regulator and a trusted strategic partner in the education sector in Wales.

### **Our mission**

We are a national regulator, ensuring professionalism and high standards within the education workforce.

We regulate on behalf of the public and we support education professionals in a variety of roles from the Foundation Phase through to further education and beyond.

We are a credible source of data and intelligence on the education workforce in Wales.

### **Legislative framework**

Under the Education (Wales) Act 2014, the principal aims of Council are to:

- contribute to improving the standards of teaching and the quality of learning in Wales;
- maintain and improve standards of professional conduct amongst teachers and others who support teaching and learning in Wales;
- safeguard the interests of learners, parents and the public and maintain public trust and confidence in the education workforce.

### **Our role and remit**

Under the Education (Wales) Act 2014, the Council's main functions are to:

- establish and maintain a Register of Education Practitioners;
- maintain a Code of Professional Conduct and Practice for the education workforce;
- investigate and hear allegations of unacceptable professional conduct, serious professional incompetence or relevant criminal offences that might call into question a registered practitioner's fitness to practise;
- provide advice to the Welsh Government and others on matters related to the education workforce and teaching and learning;

- monitor Induction and hear Induction appeals (where applicable) for teachers;
- promote careers in the education workforce;
- undertake specific work in relation to teaching and learning at the request of the Welsh Government.

The EWC is not a Welsh Government sponsored body. The EWC is funded by registration fees, but receives grant funding from the Welsh Government for the following activities undertaken on its behalf:

- administering the award of Qualified Teacher Status (QTS);
- administering funding, tracking and recording arrangements for Induction, the Masters in Educational Practice (MEP), and Early Professional Development (EPD);
- developing and hosting the Professional Learning Passport;
- hearing Induction appeals and issuing Induction certificates; and
- other ad hoc projects.

### **Structure**

The Education Workforce Council has 14 members. Seven members are directly appointed through the Welsh Government public appointments system and seven members are appointed following nomination from a range of stakeholders. Council members are appointed for a period of four years. The Council sets the strategic direction for the EWC, and is responsible for its governance. The EWC employs 31 staff.

### **Strategic objectives**

We will work to achieve our strategic aims through the following four objectives.

**Objective 1 - In the interests of the public, to maintain the professional standards of registrants and ensure their fitness to practise**

**Objective 2 – To enhance the status of the education workforce and promote professionalism**

**Objective 3 – To establish public confidence in the EWC and position the EWC as a key strategic stakeholder in Welsh education**

**Objective 4 – to run an efficient and cost effective organisation**

## Overview

The Education Workforce Council would like to highlight the following key achievements of its first year of existence:

### **Objective 1 - In the interests of the public, to maintain the professional standards of registrants and ensure their fitness to practise**

- worked closely with employers, unions and Welsh Government to register over 6,000 further education teachers for the first time from 1 April 2015,
- undertook extensive preparatory work in readiness to register around 30,000 learning support workers in schools and FE colleges from April 2016,
- developed and extended the Register of Education Practitioners, attracting approximately 60,000 online searches by registrants, employers and the public,
- published an Annual Statistics Digest and disseminated the first national data on the further education teaching workforce in Wales,
- effectively dealt with 173 fitness to practise cases, including the first cases involving FE teachers in Wales,
- widely disseminated a Code of Professional Conduct and Practice for the education workforce and published a good practice guide on the responsible use of social media to complement the Code,
- issued certificates to 1,385 people who achieved Qualified Teacher Status and to 1,013 people who met the Practising Teacher standards in Wales.

### **Objective 2 – To enhance the status of the education workforce and promote professionalism**

- successfully launched the first version of a Professional Learning Passport on behalf of the Welsh Government and led work to develop an enhanced version to be introduced in 2016,
- represented the workforce on a range of national working groups, including professional standards, accreditation of initial teacher education, curriculum review and early years,
- made a significant contribution to policy development on supply teachers through written and oral evidence to the National Assembly's Children, Young People and Education Committee,
- supported over 3,400 teachers in the first three years of their careers by efficiently administering funding, tracking and recording arrangements for Induction, EPD and the MEP in Wales, meeting all targets set by government,
- used a variety of communication channels to promote professionalism, including the launch of a new national blog 'Sôn' and publication of a range of case studies by practitioners and stakeholders.

### **Objective 3 – To establish public confidence in the EWC and position the EWC as a key strategic stakeholder in Welsh education**

- worked extensively with the Welsh Government in developing consultation documents and draft legislation in relation to the extension of registration and regulation to the wider education workforce,
- responded to 10 national consultations or requests for evidence,
- introduced the Council's first Research Strategy and action plan,
- undertook an extensive programme of face to face registrant and stakeholder engagement, with senior staff participating in over 150 presentations and meetings,
- attracted over 550,000 visits to the EWC corporate website,
- increased the Council's social media impact to nearly 3,500 followers on Twitter and extended our presence into LinkedIn, Clecs and Vimeo,
- produced seven press releases and five issues of *Education Wales* our e-newsletter for stakeholders. We also launched *MyEWC News* the first email bulletin for all registrants which is published termly.

### **Objective 4 – to run an efficient and cost effective organisation**

- received an unqualified audit opinion for our annual accounts 2015-16,
- carried out an extensive programme of cost and business efficiency savings,
- established a new, more strategic and rigorous EWC planning and reporting process,
- provided comprehensive induction training and introduced a system of performance review for Council members,
- appointed new FE and learning support fitness to practise panel members and retrained all existing panel members,
- significantly enhanced the Council's human resources processes, including harmonising job descriptions, introducing person specifications, revising the staff performance and development review scheme and automating a number of paper systems.

## **Performance Analysis**

### **Objective 1 Maintaining the professional standards of registrants and ensuring their fitness to practise**

#### **Registration**

The Register of education practitioners is integral to the EWC's work in ensuring high standards of professionalism are maintained within the workforce.

This year, we have focused on extending and developing what was the GTCW Register of teachers into the EWC's Register of Education Practitioners and which now includes teachers from the further education (FE) sector for the first time. We have developed excellent working relationships within the FE sector, and have collaborated effectively with stakeholders including FE colleges, Colegau Cymru and trade unions to successfully expand the Register. As at 31 March 2016, 42,999 school and FE teachers were registered.

The Council has undertaken extensive preparatory work during the year in readiness to register around 30,000 learning support workers in schools and FE colleges from April 2016. This has included exchanging data with employers, the collection of registration fees and a comprehensive programme of engagement and communications to explain the new legal requirements concerning learning support staff.

Specific information on the Register is available to registrants, employers and the public and this is a powerful means for all our stakeholders to interact with us and use the Register to safeguard learners. Nearly 60,000 online checks were made by registrants, employers and the public between 1 April 2015 and 31 March 2016.

The Register is also a source of unique information on the education workforce, which, in partnership with Welsh Government and others, we use to inform policy development. We published our Annual Statistics Digest in May 2015 and disseminated the first national data of the further education teaching workforce in Wales in November 2015. We also provided annual data and analysis to assist the Welsh Government with teacher training and workforce planning in June. We responded to 19 further ad-hoc data and analysis requests from the Welsh Government and other stakeholders this year.

The Council enhanced its registration database and improved its I.T. infrastructure to ensure that an expanding number of registrants and stakeholders can access the Register and its other online services quickly and efficiently.

#### **Qualified teacher status (QTS) and statutory Induction**

The Council issued QTS certificates to 1,385 people who met the QTS standards in Wales through initial teacher training, employment based routes and to those who

were already qualified teachers in other countries. We also issued 1,013 certificates to new teachers who met the Practising Teacher standards during the year.

### **Fitness to Practise**

The EWC has a statutory responsibility to investigate and, if necessary, hear cases where it is alleged that a registrant is guilty of unacceptable professional conduct, serious professional incompetence and/or a conviction for a relevant offence. The majority of cases considered by the Council are referred to us by employers and supply agencies in line Welsh Government legislation.

During the year, all our outward facing fitness to practise documents and publications were reviewed and amended. Our internal procedures have also been refreshed. We have recruited further education teacher and learning support worker panellists to deal with cases which involved these new registrant groups and all our panel members have received comprehensive training.

The Council extensively disseminated its Code of Professional Conduct and Practice for the education workforce throughout the year. All new registrants received a copy of the Code and officers made regular presentations about the Code to key audiences such as registrants, trade union events and to governors. In February 2016, the Council introduced the first of a series of good practice guides to complement the Code. This set out guidance and advice in using social media and was positively received by registrants and stakeholders.

We have considered all cases in accordance with the timescales and standards set out in our *Disciplinary Procedures and Rules*. During the reporting year, a total of **40** cases have been concluded. The following tables provide a summary of this work.

**Table 1: Cases concluded in the operational year 2015-2016**

<b>Council Actions</b>	<b>Number of Cases</b>
<b>Cases concluded by an Investigating Committee or authorised officers as no case to answer, no further action or case discontinued</b>	<b>13</b>
<b>Cases considered by a Fitness to Practise Committee, following referral by an Investigating Committee</b>	<b>26</b>
<b>Cases considered by a Fitness to Practise Committee under Rule 32 (Eligibility for Registration following a Prohibition Order)</b>	<b>1</b>

**Table 2: Outcomes of cases considered by a Fitness to Practise Committee in the operational year 2015-2016**

Type of Disciplinary Order	Number of Cases
Prohibition Order	<b>13</b>
Voluntary Prohibition Order	<b>1</b>
Suspension Order (without conditions)	<b>2</b>
Suspension Order (with conditions)	<b>0</b>
Conditional Registration Order	<b>2</b>
Reprimand	<b>6</b>
Facts not proved	<b>2</b>
Application for Eligibility to Register following a Prohibition Order under Rule 32 - refused	<b>1</b>

Equality and welsh language data concerning fitness to practise cases can be viewed on our website [www.ewc.wales](http://www.ewc.wales)

### Suitability for registration

In order to register with the EWC, we must be satisfied that an applicant is suitable. Every education practitioner is asked to declare their criminal and disciplinary/regulatory history as part of their application for registration.

We have considered all declarations received in accordance with the timescales and standards set out in our *Registration Rules*.

We have concluded a total of **136** applications for registration where current or pending criminal, disciplinary or regulatory action involving the applicant was declared. Four applications were granted by a Suitability Committee, five were refused. Three applicants withdrew their applications for registration before the Council had concluded its assessment.

The following tables provide a summary of this work.

**Table 3: Suitability assessments concluded by the Council in the operational year 2015-2016**

<b>Council action</b>	<b>Number of assessments</b>
<b>Registration applications granted without a Suitability Committee</b>	<b>124</b>
<b>Registration applications referred to a Suitability Committee</b>	<b>9</b>
<b>Applications for registration withdrawn</b>	<b>3</b>

**Table 4: Outcomes of applications considered by a Suitability Committee in the operational year 2015-2016**

<b>Applications granted or refused</b>	<b>Number of assessments</b>
<b>Granted</b>	<b>4</b>
<b>Refused</b>	<b>5</b>

Equality and welsh language data concerning suitability can be viewed on our website [www.ewc.wales](http://www.ewc.wales).

#### **Induction Appeals**

The Council has responsibility for hearing appeals from NQTs who fail assessment against the Practising Teacher standards, but are dissatisfied by such a decision. No appeal was received in year.

## **Objective 2 Enhancing the status of the education workforce and promoting professionalism**

### **Professional learning**

Since its creation, the EWC has frequently been identified as a key player in the 'New Deal' for education practitioners by the Minister for Education and Skills and others. The Council was asked by the Minister to lead the development of a Professional Learning Passport (PLP), an online portfolio for all registrants to record and reflect on their professional development. The Passport is one of the Minister's main priorities under the New Deal.

The initial PLP was launched in September 2015 and over 2,700 registrants have created their PLP to plan, record and reflect upon their professional learning. Extensive engagement with practitioners and stakeholders and product research has been undertaken as we prepare to develop the enhanced PLP which is due to be launched in September 2016.

In year, the Council also took on two discrete projects for Welsh Government associated with professional learning. We are currently developing a website to showcase the best teacher inquiry projects from the Masters in Educational Practice. We are also undertaking research on the professional learning opportunities available in STEM subjects for practitioners in Wales, the findings will be presented in a 'Learning Exchange'.

The EWC administers funding, recording and tracking arrangements for teachers' Induction, Early Professional Development and the Masters in Educational Practice. This involves working closely with local authorities, consortia, mentors, newly qualified teachers and Welsh Government. This work included:

- supporting over 3,400 new teachers, 284 external mentors and over 1,000 schools as part of the Induction, EPD and MEP programmes,
- settling funding payments for Induction of over £2.1 million and EPD of over £50,000 to schools,
- settling funding payments in relation to external Induction and MEP mentors of over £3.5 million,
- leading the matching of external mentors to NQTs who followed the Induction and MEP programmes,
- providing on line services and help desk facilities to NQTs, external mentors, consortia, local authorities, schools and the MEP course provider,
- providing additional administrative support to two consortia in respect of their pilot Induction programmes.

## **Enhancing the status of the workforce**

The EWC was invited to join, and was represented on, a number of prominent Welsh Government groups during the year, on matters such as the revision of professional standards for teachers and the development of standards for other practitioners, the implementation of Professor Donaldson's recommendations on curriculum and assessment, the drafting of new arrangements for the accreditation of initial teacher training and Early Years. The Council made a significant contribution to policy development on supply teachers through written and oral evidence to the National Assembly's Children, Young People and Education Committee.

The Council effectively used a variety of communication channels to promote professionalism and enhance the status of the workforce. This included the launch of a new national blog 'Sôn' and publication of a range of case studies written by practitioners and stakeholders.

### **Objective 3 Establishing public confidence in the EWC and positioning the EWC as a key strategic stakeholder in Welsh education**

#### **Providing high quality advice**

The Council worked extensively with the Welsh Government in developing consultation documents and draft legislation in relation to the extension of registration and regulation to the wider education workforce,

It responded to 10 national consultations or requests for advice this year, covering subject matters including:

- registration of school learning support workers,
- registration of youth workers,
- registration of work based learning practitioners with the EWC,
- registration of teachers and support staff in independent school and college settings,
- new inspection arrangements,
- alternative delivery models for public services,
- additional learning needs,
- discipline and dismissal procedures for school staff and effective management of school workforce attendance,
- out of school education settings.

We also submitted evidence to the Children Young People and Education Committee on Welsh in Education Strategic Plans and the inquiry into supply teaching.

The Council launched its first Research Strategy and began the implementation of the actions identified therein. In November 2015, we produced and disseminated the first national data on the composition of the further education teaching workforce.

The Council also assisted government by participating in the Advisory panel and sub groups set up to facilitate the transition of the Care Council to Social Care Wales.

#### **Engagement**

As a new body, key pillars of our communications strategy have been to launch / position the EWC and communicate the requirement for new workforce groups to be registered, utilising all channels at our disposal.

The Council placed a particular emphasis on face to face engagement and attending over 150 meetings and presentations with registrant groups and stakeholders during the course of the year.

We have maintained a vibrant website, introducing new sections like 'Sôn', 'Staff Room' and 'FE in focus'. We attracted over 550,000 visitors to our website in year. We

strengthened our social media presence, using Twitter, and branched out into LinkedIn, Clecs and Vimeo.

The Council produced seven press releases and five issues of 'Education Wales' our e-newsletter for stakeholders. We also launched 'MyEWC News' our first email bulletin for all registrants which is published termly.

#### **Objective 4 Running an efficient and cost effective organisation**

The final General Teaching Council for Wales annual report and annual accounts were laid at the national Assembly on 30 July 2015. We received an unqualified audit opinion and have also been commended by our internal and external auditors for the quality of our financial and operational processes. The Council carried out an extensive programme of cost and business efficiency savings during the year which mean that it is in a strong financial position to flourish in the coming years.

The creation of the EWC afforded us an opportunity to review and refresh our planning and monitoring procedures and outputs. A new EWC planning schedule was developed and a more strategic and rigorous planning and monitoring process introduced.

The Council has significantly enhanced human resources processes, making improvements such as harmonising job descriptions, introducing person specifications, revising the staff performance and development review scheme and automating a number of paper systems.

We have continued to successfully operate our Welsh Language scheme, while preparing for a move to the new standards.

#### **Council and fitness to practise panel members**

The newly constituted EWC held its first meeting on 22 April 2015. Council members received comprehensive Induction training in April and further training at Council and Committee meetings during the year. The Council introduced a new performance review scheme for members and held an election to appoint a Chair of Council for 2016 to 2019.

Annual training for Fitness to Practise panel members was held in June. New FE teacher and learning support panel members have been recruited and trained.

#### **Review of activities and developments**

For the financial year ending 31 March 2016, the Council reported a surplus of £525,000 (£14,000 surplus in 2014-15) and total net assets of £772,000 (£247,000 at 31 March 2015). This can be attributed to income from the registration of the first new registrant group, with associated expenditure developing subsequently; additional Welsh Government grant in respect of transitional activities of the new reconfigured body and less than budgeted activity in certain areas.

#### **Environmental and community matters**

The Council is committed to minimising its impact on the environment. As a small body, opportunity is limited but wherever possible the Council seeks to reduce its impact via the following steps:

- Stationery consumption: Staff are encouraged to print documents only when necessary and to use the duplex printer function whenever possible. Recyclable printer cartridges are used where practical;
- Travel: Where practical, public transport is used by officers, and where car hire is required, the type of vehicle is chosen to maximise environmental efficiency. In addition, members are encouraged to attend committee meetings via video conferencing;
- Energy: As a tenant in a managed building, certain functions are managed centrally. Heating is managed via thermostat controls located within the office, and lighting is operated via a motion sensor and will switch off if not triggered by movement. The Energy Performance Assessment for the building is assessed as C (A is most - and G least - energy efficient);
- Waste disposal: the Council is committed to recycling all waste, subject to external restrictions, including the separate disposal of eg plastic, paper and other waste.

### **Consultation with employees**

The Council recognises the importance of communication with all employees, and of keeping them informed of internal and external developments. This includes regular all-staff meetings, team meetings and e-mail bulletins on developments from the Management Team, as and when necessary.

The Council consults with staff through employee fora, covering the areas of Personnel (including consultation on HR policy development) and the Welsh Language.

### **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.

### **Personal data related incidents**

Within the financial year, there have been no personal data loss incidents to report.

## **Accountability**

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

Under Paragraph 21 of Schedule 1 to the Education (Wales) Act 2014, the Council is required to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. 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 comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Welsh Government, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

The responsibilities of the Chief Executive, including responsibility for the propriety and regularity of the public finances for which the Chief Executive is answerable, for keeping proper records and for safeguarding the Council's assets, are set out in "Managing Public Money".

## **Annual Governance Statement**

The Council is committed to achieving high standards of governance in the performance of its corporate objectives, including the proper management and control of its resources. This statement describes the governance arrangements for the Council in 2015-16 and the Council's risk and control framework, concluding with an assessment of their effectiveness in the year.

### **Role of the Education Workforce Council**

The principal aims of the Council are to contribute to improving the standards of teaching and the quality of learning, to maintain and improve standards of professional conduct amongst teachers and others who support teaching and learning in Wales and to safeguard the interests of learners, parents and the public and maintain public trust and confidence in the education workforce.

### **Governance framework**

The Governance framework consists of the systems and processes employed in the achievement of its activities, and is underpinned by the mission, vision and values of the Council. It enables the Council to monitor and control its operations.

The Education Workforce Council is a body corporate, established by the Education (Wales) Act 2014 and various Welsh Government Regulations, including the EWC (Main Functions)(Wales) Regulations 2015. The Council comprises 14 members including seven members directly appointed through the Welsh Government public appointments system and seven members appointed following nomination from a range of stakeholders. The Council meets three times annually, although met four times in 2015-16 with an additional inaugural meeting in April 2015. Members are required to comply with the Code of Conduct and Best Practice for Members.

Members sit on one of three Council standing committees: Executive Committee, Registration & Regulation Committee, and Audit & Scrutiny Committee. Each committee normally meets three times annually, with business reported to the next Council meeting.

The governance framework is formalised through the Council's Standing Orders, which set out how the Council and Committees function. In support of that are a series of policies and procedures detailing how the Council operates and the process for achievement of corporate objectives. These make up the Council's system of internal control.

The Chairperson is responsible for providing effective strategic leadership on matters such as formulating the Council's strategy for discharging its statutory duties; encouraging high standards of propriety, and promoting efficient and effective use of staff and other resources throughout the Council; and ensuring that the Council, in

reaching decisions, takes proper account of the Council's statutory responsibilities.

Members' roles are strategic and include focussing on corporate strategy, key strategic objectives and targets, approval of major policy documents and major decisions involving the use of financial and other resources. Under Standing Orders, the Council may delegate responsibility for specified matters to committees of the Council, the Chairperson or the Chief Executive of the Council. Council members and officers have complementary responsibilities with regard to the formulation and implementation of Council policy.

Responsibility for day-to-day management is delegated to the Chief Executive and senior staff, within a clear framework of strategic control by members. The Chief Executive has responsibility, under the Council, for the overall organisation, management and staffing of the Council, including staff conduct and discipline; for ensuring that the Council complies with all relevant legislation; and for monitoring compliance with Council's internal policies and regulations. He is responsible for the Council's proper corporate governance, the effective management of the executive, its financial management and communications with stakeholders.

The Chief Executive is supported by his Senior Management Team (SMT) including two Deputy Chief Executives, and the Policy, Planning and Communications Manager. The SMT meets regularly on a monthly basis. Its remit is to advise the Chief Executive on progress against its primary activities, to confirm resource allocation, to monitor and control management accounts based on agreed budgets, to review and amend the Risk Register and to review and approve new and revised policies affecting all aspects of the Council's operations.

In 2015-16, the Council committed to four corporate objectives, including:

- In the interests of the public, to maintain the professional standards of registrants and ensure their fitness to practise;
- To enhance the status of the education workforce and promote professionalism;
- To establish public confidence in the EWC and position the EWC as a key strategic stakeholder in Welsh education;
- To run an efficient and cost effective organisation.

Objectives are interpreted into activities via the three year Strategic and annual Operational Plans. Operational and financial performance is overseen by the Executive Committee via Quarterly Reviews, which report on achievements against objectives for the reported period. Financial accountability is achieved via the annual budget-setting – based on approved plans - with production of monthly management accounts, which are scrutinised by the Senior Management Team. The format of the annual accounts is determined by the Accounts Direction, issued by the Welsh

Government and based on the Treasury's Financial Reporting Manual. This ensures clarity about disclosure of financial performance. These Accounts – and the supporting financial systems - are then subject to external audit, confirming their accuracy and disclosure compliance and the regularity of financial transactions.

### **Risk and control framework**

The risk and control framework is underpinned by the Risk Management policy which forms a key strand of the Council's internal control and corporate governance arrangements. The policy acknowledges that it is not possible to eliminate all risk but through the Risk Register, documents the processes by which risk is reduced to an acceptable level. It also notes that whilst the SMT is responsible for managing the risks, all staff have a role in identifying new potential risks.

The Risk Register details all key threats to achieving the corporate objectives, agreed in the Strategic and Operational Plans. Each key risk is given a score based on its potential impact on the business of the Council and its likelihood of occurring. The management strategy involves accepting, avoiding, reducing or transferring risks in response. Specific actions required are identified, allocated to a senior manager and actioned by set deadlines. The Risk Register includes an evaluation of the level of "residual risk" after the application of the control. Both opening and residual risks are represented using the traffic light warning system, and are coloured accordingly (Red/ Amber/ Green). In the 2015-16, given the reconfiguration of the new Council, the status of all risks was assessed as "open", and so all risks were considered at the quarterly review.

At the year-end, the Risk Register included the following main risks:

- Failure to register and regulate the new registrant groups in line with Welsh Government legislation;
- Failure to implement the enhanced version of the Professional Learning Passport (PLP) to timescale specified by Welsh Government;
- Operational activity is such that Council expenditure exceeds registration fee income; and
- Reputational damage caused by an inappropriate decision taken by a Fitness to Practise Committee, or in the event a High Court appeal.

The impact of all risks was mitigated to some degree by the stated controls.

The Risk Register is reviewed quarterly by senior officers, and at meetings of the Audit & Scrutiny Committee, which has a remit to oversee the Council's Risk Management policy. Progress is reported and new risks and controls identified during the regular review by the Senior Management team. The Risk Register is also taken to Council for consideration once annually.

Financial risks are controlled by a detailed Finance Manual setting out financial procedures and specifying responsibilities and levels of delegation. Compliance with this manual promotes high standards of good governance.

Council is determined to ensure that fraud is not accepted or tolerated. It has a number of steps in place to ensure that fraud is prevented including separation of functions set out in the Finance Manual, regular financial monitoring and reconciliation, a Staff Code of Conduct describing the standards expected of EWC officers, clear line management systems and a Whistleblowing Policy. There were no whistleblowing incidents in the year, nor any allegations of misconduct received otherwise. The Council has reviewed its whistleblowing protocols and to further develop its practice in this area, additional training is planned in 2016-17 for the two nominated contact points and the Audit & Scrutiny Committee.

The system of internal control is designed to manage risk to a reasonable level - rather than to eliminate all risk of failure - to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Council for the year ended 31 March 2016 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

The Council's Business Continuity and Disaster Recovery plan addresses key risks to the Council in the event of a threat to business continuity relating to buildings or information systems. This includes an annual testing of the plan, with the scenario this year based on the unexpected resignation of a large number of staff. A scenario test is repeated annually.

Council is a data-rich organisation in respect of school and FE teachers in Wales. Data is contained within the Council's databases but shared with individual teachers and specified information with employers or potential employers from time to time. Other internal data is also stored securely. There have been no losses of personal data during the year. This is confirmed at monthly meetings of the Management Team.

Information security is supported by the weekly lodgement of Council's back-up tapes at an off-site storage facility.

Council has a published Standards of Service document with a system and timescale for dealing with complaints. No complaints were received through this process during the year.

Council is committed to deploying its human resources to promote strong corporate governance. It is committed to developing competent and well-trained people to

perform the various Council and executive functions. During the year, it launched an all-staff training programme – covering specific and general topics – which all staff are required to attend. This is in addition to individual identified training provision.

During the year, all members were provided with training on their induction as members and also on a variety of policy and other issues at Council meetings and related to their specific Committee membership.

The Council has its own annual Performance and Development Review (PDR) programme, which assesses officers' performance over the previous year and identifies specific objectives and training needs for the following year. This was revised for the 2015-16 review year, including earlier completion dates and so allowing a more responsive and prompt process.

All officers are obliged to comply with the Code of Conduct for Council Officers. Council has a range of HR policies to ensure consistent expectations and levels of support. Staff have recourse to a Whistleblowing Policy including named Council members should the need arise. No matters were raised in 2015-16.

Other aspects of the HR function were also reviewed and enhanced during the year, including the launch of all-staff and manager training programmes for 2016-17, supporting a more efficient and focussed HR service .

### **Review of Council's effectiveness**

Members' attendance at meetings held during 2015-16 is detailed in the following table:

Member	Council attendance (total possible in brackets)	Standing Committee attendance (total possible in brackets)		
		Executive	Registration & Regulation	Audit & Scrutiny
Angela Jardine	4 (4)	3 (3)		
Paul Croke	4 (4)	3 (3)		
Isobel Davies	4 (4)	2 (3)		
Roberto De Benedictis	4 (4)			3 (3)
Joanne Gauden	3 (4)		3 (3)	
John Griffiths	4 (4)			3 (3)
James Harris	3 (4)			3 (3)
Mark Isherwood	3 (4)			2 (3)
Helen O'Sullivan	4 (4)		2 (3)	
Kevin Pascoe	4 (4)	2 (3)		
Hugh Patrick	4 (4)		3 (3)	
Jane Setchfield	3 (4)		3 (3)	
Robert Townsend	3 (4)	2 (3)		
Berni Tyler	4 (4)		3 (3)	

Typically members participate in an annual self-assessment of both Council and Committee performance, covering areas such as Terms of Reference, roles and responsibilities, committee membership, agenda management, attendance, management of papers and training. Given the reconfiguration of Council from 1<sup>st</sup> April 2015 and the appointment of a new Council, the 2014-15 assessments were not completed. Instead, a more thorough process for the review of effectiveness has been designed for the new body – the *Members' Review Process* - including an annual self assessment of performance by members themselves, and also an assessment of performance of all members by the Chairperson. This has recently been completed

for the 2015-16 year, and has proved to be very successful.

Achievements against operational objectives are reported and reviewed regularly throughout the year via Quarterly Reviews. These reviews note achievement on the short-term outcomes and highlight any action remaining. This document is considered by the Chief Executive, the Senior Management Team and is overseen by the Executive Committee. A summary of the Council's achievements of objectives in 2015-16 is given in the Annual Account's Executive Summary.

In addition, in respect of activities which are publicly funded, regular meetings are held with Welsh Government officials to monitor the achievement of those specific operational objectives. Financial reporting of the grant funding is certified by the Auditor General for Wales, who confirmed that grant-finding had been properly reported. All operational targets were achieved.

### **Audit & Scrutiny Committee**

The Audit & Scrutiny Committee plays a significant role in the corporate governance structure, and through its review advises the Chief Executive on the efficacy of policies, systems and procedures. During the year, it has received and reviewed various reports from both internal and external auditors, completed an assessment of internal and external auditors, approved the revised Finance Manual and reviewed the Risk Register at each meeting. All reports have supported a positive assessment of the Council's governance arrangements.

### **Internal audit**

Deloitte LLP act as internal auditors. Within an over-arching three year plan which ensures cyclical coverage of all areas, an annual programme of work is agreed prior to the financial year. As reviews are then completed during the year, reports are presented to the Audit & Scrutiny Committee. The results of the year are then summarised in an Annual Report.

A total of three reports were completed in 2015-16, including reviews on corporate governance & risk management; financial systems including banking and cash management, general ledger, revenue and receivables and pension payments, Health & Safety and Induction, EPD and MEP. All reviews were assessed as giving substantial assurance. The Annual Report concluded that "...the Council has a basically sound system of internal control, which should provide **substantial assurance** regarding the achievement of Council's objectives".

### **External audit**

Assessment on the effectiveness of the governance framework is also implicit in the findings and reports of the financial audit. The Auditor General for Wales is the statutory external auditor of the former General Teaching Council for Wales -

appointed under the Teaching and Higher Education Act 1998 – and also of the Education Workforce Council, appointed under the Education (Wales) Act 2014. The 2014-15 audit was contracted out to Grant Thornton UK LLP.

Comments on the audit of the 2014-15 GTCW Annual Accounts were positive – with the AGW issuing an unqualified audit opinion and confirming that no significant matters had arisen as a result of audit testing, and noting that auditors had not found any material instances where resources have not been properly used and accounted for.

### **Significant governance issues**

The Council has not identified any significant governance issues in the year. Nor have any areas of concern been identified which require strengthening or improvement.

My operational focus has been on

(a) establishing the new Council, based on a well-planned transition programme whilst ensuring “business as usual” is maintained; and

(b) extending registration and regulation to the wider education workforce, as specified by the Education (Wales) Act 2014.

In addition, the following areas contributed to the Council’s strong governance:

- Election of the Chairperson of the former body (Angela Jardine) as Chairperson of the new body in its first year, bringing the benefit of significant experience with the predecessor body. This assisted both in establishing the new Council and also in maintaining relationships with existing stakeholders;
- Officers continued with the savings/ efficiencies initiative launched in 2014-15, contributing to Council’s strong financial management during the year and the successful financial performance for the year overall;
- With regards risk management, all risks were defined as open and so were all subject to regular review, given the more sensitive position of the Council in its formative stage; and
- The introduction of a written report from the Chief Executive to Council at each meeting, which updates Council on key issues, future plans and developments, including progress toward the award of additional functions by Welsh Government noting the specific risks and challenges associated.

In addition, no complaints were received by officers during the year, nor were there any referrals to the Information Commissioner in respect of activity in-year.

**Statement by Chief Executive**

In summary, I am satisfied that the governance framework of the Council during the year has been effective, giving assurance of the proper stewardship of resources in performance of its objectives.

*Hayden Llewellyn*

*Chief Executive*

*7<sup>th</sup> July 2016*

## Remuneration and Staff Report

The Remuneration Report details remuneration practices in respect of Council members and senior staff:

### ◦ **Service contracts**

Staff appointments are made in accordance with the Council's Recruitment and Selection policy, which requires appointments to be on merit on the basis of fair and open competition but also include the circumstances when appointments may otherwise be made.

The senior staff 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.

### ◦ **Members' remuneration**

The Chairperson is the only member of Council who may be remunerated; the office is not entitled to membership of the Council's pension scheme.

During the year, Mrs Angela Jardine continued as Chairperson of the Council, having served as Chairperson of the former body. As a serving teacher, this appointment is treated as a secondment and a proportion of salary is reimbursed to her employer. Mrs Jardine received no remuneration directly nor any benefits-in-kind. The Chairperson's commitment is estimated at an average two days per week.

All other Council members are paid for their expenses, including the reimbursement of costs incurred in travelling to meetings and also payment of supply cover to their employers or equivalent costs, as appropriate. This expenditure is reported as Members' costs at Note 4 (Direct programme costs).

	<b>2015-16</b>	<b>2014-15</b>
	<b>£000's</b>	<b>£000's</b>
Reimbursement of costs to employer - Chairperson:	25	25
Mrs Angela Jardine		

◦ **Senior staff remuneration**

The salary, pension entitlements and the value of any taxable benefits in kind of the most senior officers of the Council were, as follows:

<b>Single total figure of remuneration</b>								
	Salary (£'000)		Bonus payments (£'000)		Pension benefits (£'000) <sup>1</sup>		Total (£'000)	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<i>G Brace (M)<sup>2</sup> Chief Executive to 5<sup>th</sup> September 2014</i>	-	35-40	-	-	-	19	-	55-60
<i>H Llewellyn (M) Chief Executive from 8<sup>th</sup> September 2014 Previously, Deputy Chief Executive (Teachers' Qualifications, Registration &amp; Professional Standards)</i>	80-85	70-75	-	-	103	42	185-190	115-120
<i>J Evans (F) Deputy Chief Executive (Finance, HR &amp; Corporate Services)</i>	65-70	65-70	-	-	31	8	100-105	75-80
<i>E Brimble (F) Deputy Chief Executive (Teachers' Qualifications, Registration &amp; Professional Standards) from 8<sup>th</sup> September 2014</i>	55-60	30-35	-	-	55	30	110-115	60-65

G Brace retired in September 2014, when his annualised salary for the year 2014-15 was £85,000 - £90,000. Following a recruitment exercise, H Llewellyn was appointed

<sup>1</sup> The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

<sup>2</sup> M = Male; F = Female

as Chief Executive (and Chief Executive Designate for the Education Workforce Council) and his annualised salary is £80,000 - £85,000.

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

	2015-16		2014-15	
Band of highest paid individual's remuneration (£'000)	80-85	Band of highest paid individual's remuneration (£'000)	85-90	
Median total	26,400	Median total	28,325	
Ratio	3.1	Ratio	3.2	

The banded remuneration of the highest-paid director in the Council in the financial year 2015-16 was £80,000 - £85,000 (2014-15, £85,000 - £90,000). This was 3.1 times (2014-15, 3.2) the median remuneration of the workforce, which was £26,400 (2014-15, £28,325).

In 2015-16, no employees (2014-15, nil) received remuneration in excess of the highest-paid director (the Chief Executive). Remuneration ranged from £17,200 to £84,180 (2014-15, £17,200 to £89,555).

The small decrease reflects the first full-year following the retirement and appointment of a new Chief Executive in September 2014, appointment of two additional officers on short term contracts, and incremental progression.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

◦ **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 payments made by the Council and thus recorded in these accounts.

With the exception of the Chief Executive, all staff salaries are based on the Welsh Government salary scales. The Chief Executive's remuneration is based on an incremental scale, and any progression is approved by the Chairperson and confirmed by the Performance Review Committee.

No bonuses are payable by the Council.

- **Benefits in kind**

The monetary value of benefits in kind covers any benefits provided by the Council and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind were paid during the year.

- **Off-payroll arrangements**

No payments were made under off-payroll arrangements during the year (2014-15, nil).

**Pension benefits**

	Accrued pension at pension age as at 31/3/16 and related lump sum <b>£'000</b>	Real increase in pension and related lump sum at pension age <b>£'000</b>	CETV at 31/3/16 <b>£'000</b>	CETV at 31/3/15 <b>£'000</b>	Real increase in CETV <b>£'000</b>
<i>H Llewellyn (M) Chief Executive from 8<sup>th</sup> September 2014 Previously, Deputy Chief Executive (Teachers' Qualifications, Registration and Professional Standards)</i>	<i>20-25 plus lump sum of 70-75</i>	<i>2.5-5.0 plus lump sum of 7.5-10.0</i>	<i>425</i>	<i>323</i>	<i>67</i>
<i>J Evans (F) Deputy Chief Executive (Finance, HR &amp; Corporate Services)</i>	<i>25-30 plus lump sum of 80-85</i>	<i>0-2.5 plus lump sum of 2.5-5.0</i>	<i>581</i>	<i>511</i>	<i>27</i>
<i>E Brimble (F) Deputy Chief Executive (Teachers' Qualifications, Registration &amp; Professional Standards) from 8<sup>th</sup> September 2014</i>	<i>10-15</i>	<i>2.5-5.0</i>	<i>205</i>	<i>152</i>	<i>36</i>

- **Civil Service Pensions**

Pension benefits are provided through the Civil Service pension arrangements. 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 with a normal pension age equal to the member’s State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have 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 pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a ‘money purchase’ stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 3% and 8.05% of pensionable earnings for members of classic (and members of alpha who were members of classic immediately before joining alpha) and between 4.6% and 8.05% for members of premium, classic plus, nuvos and all other members of alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member’s earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to

nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% up to 30 September 2015 and 8% and 14.75% from 1 October 2015 (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. 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 0.8% of pensionable salary up to 30 September 2015 and 0.5% of pensionable salary from 1 October 2015 to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCS or alpha – as appropriate. Where the official has benefits in both the PCS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

#### ◦ **Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

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

(Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

- **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.

- **Compensation for loss of office**

No compensation payments for loss of office were made in the year to those staff included in this Remuneration Report, or any other employees.

- **Exit packages**

There were no redundancy or other departure costs in the year (2014-15, £nil).

- **Sickness absence**

The Council monitors sickness absence on an ongoing basis, reviewing both cumulative and long-term absences. In 2015-16, employees reported a total of 99 days sickness absence (133.5 days, 2014-15) of which 38% was in respect of long-term sickness (35%, 2014-15). Absence due to sickness is lower this year, reporting an average of 3.4 days per employee (4.8 days, 2014-15), and continues to be lower than the public sector average of 8.1 days per employee (7.9 days per employee, 2014-15).

There were no retirements on the grounds of ill health.

## Staff Report

- **Number of persons employed by employment type**

The Council employed 31 staff as at 31 March 2016 (27, 2014-15) (including officers on maternity leave), as follows:

<b>By contract type</b>	<b>31 March 2016</b>	<b>31 March 2015</b>
Permanent contract	27	25
Fixed term contract	2	2
Temporary staff	2	-
<b>Total</b>	<b>31</b>	<b>27</b>

The staff composition by gender as at the end of the financial year was, as follows:

	31 March 2016			31 March 2015		
	Male	Female	<b>TOTAL</b>	Male	Female	<b>TOTAL</b>
Senior staff	1	2	<b>3</b>	1	2	<b>3</b>
General staff	9	19	<b>28</b>	8	16	<b>24</b>
<b>Total</b>	<b>10</b>	<b>21</b>	<b>31</b>	<b>9</b>	<b>18</b>	<b>27</b>

*The above information is subject to audit.*

**Hayden Llewellyn**

**Chief Executive**

**7<sup>th</sup> July 2016**

## **Certificate and Report of the Auditor General for Wales to the National Assembly for Wales**

I certify that I have audited the financial statements of Education Workforce Council (EWC) for the year ended 31 March 2016 under Paragraph 21 of Schedule 1 of the Education (Wales) Act 2014. These comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity and related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### **Respective responsibilities of the Chief Executive and auditor**

As explained more fully in the Statement of the Council and Chief Executive's Responsibilities, the Council is responsible for preparing the Annual Report, which includes the Remuneration Report and the financial statements, in accordance with the Education (Wales) Act 2014 and Welsh Ministers' directions made there under and for ensuring the regularity of financial transactions.

My responsibility is to audit, certify and report on the financial statements in accordance with applicable law and with International Standards on Auditing (UK and Ireland). These standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to EWC's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by EWC; and the overall presentation of the financial statements.

In addition, I obtain evidence sufficient to give reasonable assurance that 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.

In addition, I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate and report.

### **Opinion on Financial Statements**

In my opinion the financial statements:

- give a true and fair view of the state of EWC's affairs as at 31 March 2016 and of its surplus, recognised gains and losses and cash flows, for the year then ended; and
- have been properly prepared in accordance with Welsh Ministers' directions issued under the Education (Wales) Act 2014.

### **Opinion on Regularity**

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

### **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Welsh Ministers' directions made under the Education (Wales) Act 2014; and
- the information in the Annual Report is consistent with the financial statements.

### **Matters on which I report by exception**

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

- the Annual Governance Statement does not reflect compliance with Welsh Ministers' guidance;
- proper accounting records have not been kept;
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns;
- information specified by Welsh Ministers regarding the remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

## Report

I have no observations to make on these financial statements.

Huw Vaughan Thomas

Auditor General for Wales

12 July 2016

24 Cathedral Road

Cardiff

CF11 9LJ

## **Financial Statements**

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**Statement of Comprehensive Income  
for the year ending 31 March 2016**

	Note	2015-16 £000's	2014-15 £000's
<b>INCOME</b>			
Grant from Welsh Government		6,596	6,898
Registration fees		1,767	1,682
Income from teacher registrations for DBS disclosure checks		-	29
Other income		3	4
<b>Total income</b>		<b>8,366</b>	<b>8,613</b>
<b>EXPENDITURE</b>			
Staff costs	3	1,238	1,188
Direct programme costs	4	449	627
Induction & EPD and MEP programme costs	5	5,888	6,361
Other operating costs	6	191	345
Depreciation	8	21	24
Amortisation	9	57	57
<b>Total expenditure</b>		<b>7,844</b>	<b>8,602</b>
<b>Surplus/ (Deficit) on ordinary activities</b>		<b>522</b>	<b>11</b>
Interest receivable	7	3	3
<b>Net income for the year transferred to reserves</b>		<b>525</b>	<b>14</b>

All Council-funded activities are continuing.

The notes on pages 44 – 57 form part of these Accounts.

**Statement of Financial Position  
as at 31 March 2016**

	Note	31 March 2016 £000	31 March 2015 £000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	26	29
Intangible assets	9	108	79
<b>TOTAL NON-CURRENT ASSETS</b>		134	108
<b>CURRENT ASSETS</b>			
Trade and other receivables	10	1,053	517
Cash and cash equivalents	11	1,497	1,410
<b>TOTAL CURRENT ASSETS</b>		2,550	1,927
<b>TOTAL ASSETS</b>		<b>2,684</b>	<b>2,035</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	(1,886)	(1,767)
<b>TOTAL CURRENT LIABILITIES</b>		(1,886)	(1,767)
<b>NON-CURRENT ASSETS +/- NET CURRENT ASSETS/ LIABILITIES</b>		798	268
<b>NON-CURRENT LIABILITIES</b>			
Deferred grant income	12	(26)	(21)
<b>ASSETS LESS LIABILITIES</b>		<b>772</b>	<b>247</b>
<b>FINANCED BY:</b>			
<b>TAXPAYERS' EQUITY</b>			
General reserve		772	247
<b>TOTAL CAPITAL AND RESERVES</b>		<b>772</b>	<b>247</b>

*Hayden Llewellyn  
Chief Executive  
7<sup>th</sup> July 2016*

The notes on pages 44 – 57 form part of these Accounts.

**Statement of Cash Flows  
for the year ending 31 March 2016**

	Note	2015-16 £000's	2014-15 £000's
<b>Cash flows from operating activities</b>	13	188	(75)
<b>Cash flows from investing activities</b>			
Interest received	7	3	6
Purchase of property, plant and equipment	8	(18)	(15)
Purchase of Intangible Assets	9	(86)	(46)
<b>Net Increase/ (Decrease) in cash and cash equivalents</b>		<b>87</b>	<b>(130)</b>
<b>Cash and cash equivalents at 1 April</b>		<b>1,410</b>	<b>1,540</b>
<b>Cash and cash equivalents at 31 March</b>		<b>1,497</b>	<b>1,410</b>

**Statement of Changes in Taxpayers' Equity  
for the year ending 31 March 2016**

<b>Changes in taxpayers' equity</b>	Note	2015-16 £000's	2014-15 £000's
Balance at 31 March		247	233
Surplus for the year		525	14
Transfers (from)/ to designated reserves		-	-
<b>Closing balance at 31 March</b>		<b>772</b>	<b>247</b>

The notes on pages 44 – 57 form part of these Accounts.

## Notes to the Accounts

### 1. Accounting policies

#### 1.1 Accounting Convention

These financial statements have been prepared in accordance with the 2015-16 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Education Workforce Council (the Council) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Council are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

#### 1.2 Registration fee income

The registration year runs from 1 April to 31 March annually with the fee becoming due on 1 April every year. The fee is required to be paid in full regardless of the date a teacher actually registers with the Council – there is no reduction for part-year registration.

Fee income was credited to the Statement of Comprehensive Income on an accruals basis, with any fees received in advance for the following financial year being treated as pre-paid income and posted to the Statement of Financial Position as a liability.

#### 1.3 Induction & Early Professional Development (EPD) and Masters in Educational Practice (MEP) expenditure

Induction & EPD programme expenditure is recognised on the basis of the academic term in which the training activity was completed. Grant expenditure and income due in respect of the Spring term is included within Accruals (grant expenditure due to schools) and Receivables (grant due from the Welsh Government) depending on the timing of payment and receipt of relevant grants.

A similar approach is adopted for the payment of MEP mentor payments, with all programme payments accounted for by the academic term.

## **1.4 Non-current Assets**

Non-current assets are defined as any single piece of equipment, costing more than £1,000 (inclusive of VAT) that has an estimated economic/ operational life of more than one year. Where it is more usual to treat individual components as a group, these are treated as assets so long as their collective value exceeds the capitalisation threshold.

Non-current assets have been valued at historic cost at the year-end as, in the opinion of the Council, any revaluation adjustments are not material.

## **1.5 Depreciation**

Depreciation is provided on all non-current 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 three years; and
- Furniture and fixtures and fittings are depreciated on a straight-line basis over five years.

In all cases, depreciation will commence from the month following purchase.

## **1.6 Intangible assets**

Software development work and licences costing more than £1,000 (inclusive of VAT) and with an estimated economic/ operational life of more than one year are capitalised.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset over its expected useful life:

- Database development work is amortised on a straight line basis over three years; and
- Software licences are amortised on a straight line basis over their life.

In both cases, amortisation will commence from the month following purchase.

## **1.7 Government Grants**

The Council receives grant income from the Welsh Government (WG) for the administration of the Induction and EPD, and MEP funding programme, in support of the award of Qualified Teacher Status, the administration of Induction Appeals and also previously in 2014-15 for the funding of Newly Qualified Teacher Disclosure and Barring Service (DBS) disclosure checks. In addition, grant is also receivable in respect of transition costs connected registration of Learning Support Workers, and also further commissioned WG activity including the development of Directory of Learning and completion of a Workforce Survey . Grants received are credited to the Statement of Comprehensive Income in the year they are received (on an accruals basis), with any outstanding balances credited to accrued or deferred income at the year-end accordingly.

Where funding is received in respect of the purchase of non-current and intangible assets, grant income is treated as deferred (Long Term Liability) and released in proportion to the value of the asset consumed annually.

## **1.8 Pension costs**

Past and present employees are covered by the provisions of the Civil Service Pension Schemes which are described within the Remuneration Report and Note 3. The defined benefit elements of the schemes are unfunded and are non-contributory except in respect of dependents' benefits. The Council recognises the expected costs of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS and the Civil Servant and Other Pension Scheme (CSOPS). In respect of the defined contribution elements of the schemes, the Council recognises the contributions payable for the year.

## **1.9 Value Added Tax (VAT)**

The Council is not registered for VAT. All expenditure and non-current and intangible asset purchases in the accounts are stated inclusive of VAT, as VAT is irrecoverable.

## **1.10 Operating Leases**

Expenditure on leases of property is charged to the Statement of Comprehensive Income on a straight-line basis spreading the total whole-life cost of the lease

evenly over the term of the lease. Operating lease rentals of equipment are charged to the Statement of Comprehensive Income in equal amounts over the term of the lease.

### **1.11 Prepayments**

The Council has adopted a de minimis threshold of £1,200 (£100 monthly equivalent charge) for the recognition of prepayments. Other than for full month prepayments, the profiled charge will commence from the month following payment.

### **1.12 Provisions for liabilities and charges**

The Council provides for all legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. In accordance with IAS 37, provisions are only recognised where the transfer of economic benefit is probable, and the amount can be reasonably estimated.

### **1.13 Segmental reporting**

For the purpose of segmental reporting, the Council has identified two separate transaction streams relating to Council-funded activity and Welsh Government-funded activity. All income and expenditure has been analysed into these two groups within the specific notes to the Accounts.

### **1.14 Employee benefits**

As required, the Council recognises the cost of employee benefits including:

- Short-term employee benefits, being the “cost” of untaken annual leave at the year-end; and
- Post-employment benefits, in respect of termination benefits.

### **1.15 Cash and cash equivalents**

The Council’s core functions have been funded from fee income from teachers’ registration, and other activities completed on behalf of the Welsh Government are funded by grant. Fee income is received annually in advance and grant funding is

drawn down on a monthly basis, as required. Because of the non-trading nature of these activities and these sources of funding, the Council is not exposed to any degree of financial risk.

Its cash balances are held in commercial bank accounts: the Council is exposed to minimal interest rate risk. Although the Council can borrow funds, it has not required to do so in this financial year. The Council has invested surplus funds but this is as a short-term Treasury deposit and does not change the risks faced in performing the Council's functions. As this is regarded as highly liquid, the Council classifies this balance as cash rather than investment.

### **1.16 Foreign exchange**

Transactions which are denominated in a foreign current are translated into sterling at the exchange rate ruling on the date of the transaction.

## **2. Segmental reporting**

IFRS 8 (Operating segments) requires the Council to report financial information by segment on the same basis as that information is considered by the Council's Management Team when allocating resources or assessing performance. Typically financial performance by activity is considered in terms of its funding source, whether it be self-funded, that is via registration fee income, or funded by Welsh Government grant. Notes to the Statement of Comprehensive Income have therefore analysed balances between these two segments.

Note: Segmental review is completed on an expenditure basis only. No analysis is made of any Statement of Financial Position headings in support of Management Team review and decision-making, and this information is therefore not presented here.

## Reconciliation

	2015-16 £000's	2014-15 £000's
Surplus/ (deficit), as per Management Accounts March	<b>(138)</b>	<b>12</b>
Adjustments:		
WG year-end accruals (net)	664	(4)
Council year-end accruals (net)	(1)	6
Surplus/ (deficit) for year transferred to reserves, as per Financial Statements	<b>525</b>	<b>14</b>

### 3. Staff costs

	Council		WG activities		2015-16	2014-15
	Permanent staff	Other	Permanent staff	Other	TOTAL	TOTAL
	£000's	£000's	£000's	£000's	£000's	£000's
Salaries	654	15	298	1	<b>968</b>	939
Social Security costs	53	-	23	-	<b>76</b>	73
Pension costs	132	-	62	-	<b>194</b>	176
<b>Total</b>	<b>839</b>	<b>15</b>	<b>383</b>	<b>1</b>	<b>1,238</b>	<b>1,188</b>

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servants and Others Pension Scheme (CSOPS) - known as "alpha" - are unfunded multi-employer defined benefit scheme but the Council is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2012. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation [here](http://www.civilservicepensionscheme.org.uk/about-us/resource-accounts) (www.civilservicepensionscheme.org.uk/about-us/resource-accounts).

For 2015-16, employers' contributions of £193,294 were payable to the PCSPS (2014-15, £176,893) at one of four rates in the range 20.0% to 24.5% of pensionable earnings, based on salary bands. 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 2015-16 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a **partnership** pension account, a stakeholder pension with an employer contribution. No Council employees took up this option, and therefore no employer's contributions were made.

Detail of salary and pension entitlements of Council members and senior staff is given in the Remuneration and Staff Report at pages 29 - 37 of these financial statements.

#### 4. Direct programme costs

	£000's Council	£000's WG	2015-16 £000's TOTAL	2014-15 £000's
Members' costs	14	-	14	13
Panel members' costs	129	-	129	100
Database maintenance and development	11	2	13	18
Legal and professional fees	240		240	348
Disclosure and Barring Service disclosure checks	-	-	-	79
Translation costs	10	-	10	16
Printing, postage and promotional costs	41	2	43	53
<b>Total</b>	<b>445</b>	<b>4</b>	<b>449</b>	<b>627</b>

Direct programme costs include expenditure incurred specifically in completion of the Council's core activities. The decrease in direct programme costs is mainly attributable to lower legal and professional fees, due to lower than expected activity, and the removal of the requirement for DBS disclosure checks on new registrations with effect from 1<sup>st</sup> April 2015.

#### 5. Induction & Early Professional Development (EPD) & MEP programme costs

	2015-16 £000's	2014-15 £000's
All Welsh Government expenditure		
Administration	99	71
Induction grant expenditure	2,139	2,088
EPD Year 1 grant expenditure	10	69
EPD Year 2 grant expenditure	47	454
MEP mentor expenditure	3,442	3,530
MEP Additional Learning Days	151	149
<b>Total</b>	<b>5,888</b>	<b>6,361</b>

The net reduction in programme expenditure reflects the WG decision to revise the funding programme in support of newly qualified teachers, including closure of the EPD grant scheme and MEP programme from 2015-16 with only reducing payments for those NQTs still within the specific programme.

## 6. Other operating costs

	2015-16 £000's	2014-15 £000's
Officers' expenses	10	10
Training and recruitment	8	10
Rent and rates	38	50
Service charge and utilities	32	29
Professional fees	3	9
Insurance	13	14
Printing & stationery	9	13
Postage	10	13
Computer costs	20	22
Venue hire	13	113
Audit fees	16	16
Other audit services	-	1
Maintenance	3	8
Other costs	16	37
<b>Total</b>	<b>191</b>	<b>345</b>

Other operating costs in respect of Welsh Government –funded activities are summarised within the Induction & EPD administration charge (see, Note 5).

Other operating costs have reduced as a result of, for example, the summarising of all FTP hearing costs within direct programme costs; venue hire costs had previously been reported here (2014-15, £113,000).

## 7. Interest Receivable

Interest of £2,567 (2014-15: £3,049) was received during the period in respect of the Council's bank accounts, with no accrual (2014-15, £nil).

## 8. Non-current assets

	Office equipment	Computer equipment	Furniture and fittings	Total
	£000's	£000's	£000's	£000's
<b>Cost or valuation</b>				
As at 1 April 2015	92	297	102	491
Additions	-	18	-	18
Disposals	(2)	(63)	-	(65)
<b>As at 31 March 2016</b>	<b>90</b>	<b>252</b>	<b>102</b>	<b>444</b>
<b>Depreciation</b>				
As at 1 April 2015	91	282	89	462
Charge for year	1	11	9	21
Disposals	(2)	(63)	-	(65)
<b>As at 31 March 2016</b>	<b>90</b>	<b>230</b>	<b>98</b>	<b>418</b>
<b>Net Book Value as at 31 March 2016</b>	<b>-</b>	<b>22</b>	<b>4</b>	<b>26</b>
Net Book Value as at 1 April 2015	1	15	13	29

Of the Net Book Value at 31 March 2015, £4,000 was in support of Welsh Government-funded activities (£2,000, as at 31 March 2015).

## 9. Intangible assets

	Database developments £000's	Total £000's
<b>Cost or valuation</b>		
As at 1 April 2015	339	339
Additions	86	86
Disposals	-	-
<b>As at 31 March 2016</b>	<b>425</b>	<b>425</b>
<b>Amortisation</b>		
As at 1 April 2015	260	260
Charge for year	57	57
Disposals	-	-
<b>As at 31 March 2016</b>	<b>317</b>	<b>317</b>
<b>Net Book Value as at 31 March 2016</b>	<b>108</b>	<b>108</b>
Net Book Value as at 1 April 2015	79	79

Of the Net Book Value at 31 March 2016, £48,000 was in support of Welsh Government-funded activities (£50,000, as at 31 March 2015).

There has been no impairment of either Non-Current or Intangible assets, which are shown at cost and considered to be at “fair value”.

#### **10. Trade and other receivables**

	31 March 2016 £000's	31 March 2015 £000's
<b>Amounts falling due within one year</b>		
Other receivables	1,011	476
Prepayments	61	41
<b>Total</b>	<b>1,072</b>	<b>517</b>

#### **11. Cash and cash equivalents**

	2015-16 £000's	2014-15 £000's
Balance at 1 April	1,410	1,540
Net change in cash and cash equivalent balances	87	(130)
<b>Balance at 31 March</b>	<b>1,497</b>	<b>1,410</b>

The Council's cash balances were held in a commercial bank at year end. No balances were held with the Office of HM Paymaster General.

## **12. Trade payables and other liabilities**

	<b>31 March 2016 £000's</b>	31 March 2015 £000's
<b>Amounts falling due within one year</b>		
Registration fees prepaid	<b>954</b>	463
Other payables	<b>522</b>	752
Other taxation and social security	<b>22</b>	21
Pension	<b>16</b>	19
Deferred income: Welsh Government grant	<b>27</b>	31
Accruals	<b>345</b>	481
<b>Total</b>	<b>1,886</b>	<b>1,767</b>
<b>Amounts falling due after more than one year</b>		
Deferred creditor	-	-
Deferred income: Welsh Government grant	<b>26</b>	21
<b>Total</b>	<b>26</b>	<b>21</b>

The Council holds an operating lease in respect of office accommodation, which includes a variable rental over the life of the lease. Operating lease costs are charged on a straight-line basis over the lease term in accordance with IAS 17. The deferred creditor has released in full in Year 5 of the lease (2015-16). As at year-end, the Council was negotiating the renewal of this lease.

The Council received grant income from the Welsh Government toward the cost of non-current assets. Since these assets will be depreciated over their useful economic life, a deferred liability is recognised at purchase which will be released over the life of the assets.

### **13. Notes to the Cash Flow Statement**

#### **Reconciliation of surplus on ordinary activities to net cash inflow from ordinary activities**

	2015-16 £000's	2014-15 £000's
(Deficit)/ Surplus on ordinary activities	522	11
Depreciation	21	24
Amortisation	57	57
Increase/ (Decrease) in Trade and other payables	119	(221)
(Increase)/ Decrease in Trade and other receivables	(536)	78
Decrease in Deferred creditor	-	(21)
Increase/ (Decrease) in Deferred liability	5	(3)
<b>Net cash inflow/ (outflow) from ordinary activities</b>	<b>188</b>	<b>(75)</b>

#### **Analyses of changes in net funds during the period**

	2015-16 £000's	2014-15 £000's
Net funds as at 1 April	1,410	1,540
Net cash inflow/ (outflow)	87	(130)
<b>Net funds at 31 March</b>	<b>1,497</b>	<b>1,410</b>

All balances as at 31 March 2016 were held with a commercial bank, and cash.

### **14. Capital Commitments**

At 31 March 2016, the Council had capital commitments valued at £97,020 (2014-15: £129,360) relating to the migration of the Register of Education Practitioners to a new PHP platform.

## 15. Operating leases

	<u>31 March</u> <u>2016</u>	<u>31 March</u> <u>2015</u>
	£000's	£000's
Amounts charged to Statement of Comprehensive Income for operating lease payments	64	54
	<b>64</b>	<b>54</b>
Annual commitment on building leases by year:		
Within one year	54	58
Between one year and five years	288	-
Beyond five years	-	-
<b>Total</b>	<b>342</b>	<b>58</b>

## 16. Derivatives and other Financial Instruments

The Council has no borrowings and mitigates its exposure to liquidity risk by managing its resources.

All assets and liabilities are denominated in sterling, and so it is not exposed to currency risk.

## 17. Related Party Transactions

The Welsh Government is regarded as a related party, and during the year the Council received grant totalling £6,596,000 (£6,897,000, 2014-15). In addition, Council officers also worked on a specific project on the request of WG, with staff costs of £1,335 being payable.

Council members may also hold positions with organisations that the Council has transactions with. However, Council members have no influence over these transactions as they occur in the normal course of the Council's activities.

During 2015-16 neither members nor senior officers, or any of their family were involved directly or indirectly in any transactions with the Council, apart from the normal payment of expenses and salary.

## **18. Contingent Liabilities**

There are no contingent liabilities (2014-15, £nil).

## **Events after the reporting period**

**19.** There are no events to report as at the date of signing of these Accounts.

The Chief Executive authorised these Accounts for issue on 7<sup>th</sup> July 2016.