



**General Teaching Council
for Northern Ireland**

Promoting Teacher Professionalism

**2019-20
Annual Report
and
Accounts**

For the year ended 31 March 2020

Laid before the Northern Ireland Assembly
in accordance with paragraph 12 of Schedule 1
to the Education (Northern Ireland) Order 1998
by the Department of Education

on

9th August 2021

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FOREWORD BY THE CHAIRPERSON

I am pleased to present the audited 2019-20 Annual Report and Accounts for the GTCNI. As the professional body for teachers in Northern Ireland, GTCNI is dedicated to enhancing the status of teaching and promoting the highest standards of professional conduct and practice.

The Council continues to work to deliver on its statutory remit but encountered some considerable governance and operational challenges in 2019-20 resulting in its placement in “special measures” by the Department of Education (DE). Council members, and I as Chair, are committed to addressing these difficulties, showing robust governance, financial oversight and leadership that ensures the GTCNI’s effective and efficient management.

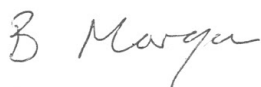
Notwithstanding these difficulties, a number of key activities during 2019-20 should be highlighted. The Council completed an election process to elect and appoint a new Council in October 2019. The new Council came into effect on 15 October 2019, its Committees were reconstituted in November 2019 and I was elected Chair on 10 December 2019, succeeding Mr. David Canning, OBE.

The Council continued to engage with the profession and education stakeholders on the standards of teaching, learning and leadership as part of supporting the delivery of DE’s ‘Learning Leaders - A Strategy for Teacher Professional Learning’ and specifically in leading the development of a competence framework for leadership at all levels.

The Council completed the reaccreditation of all local PGCE programs delivered by Northern Ireland’s HEI’s and we continue to work on the accreditation of the B.Ed. programs. The Council continued to monitor developments associated with Brexit and the potential impact on teacher registration.

In March 2020, Covid 19 revealed itself with the consequent impact on the teaching community, children, and our staff. GTCNI staff quickly and successfully transitioned to home working continuing to register teachers and service the teaching profession.

On behalf of the Council, I would like to thank the staff of GTCNI for their continued hard work and support throughout these difficult times.



Brendan Morgan
GTCNI Chairperson

PERFORMANCE REPORT – OVERVIEW

Background

The General Teaching Council for Northern Ireland (GTCNI) is the statutory, professional and regulatory body for the teaching profession and is dedicated to enhancing the status of teaching and promoting the highest standards of professional conduct and practice. The Council was established by the Education (Northern Ireland) Order 1998.

Purpose

The thrust of the Council's work continues to be, about enhancing respect for, and trust in, the teaching profession by promoting teacher professionalism, autonomy, professional voice and influence.

As the professional registration and regulatory body for teachers in Northern Ireland, one of the Council's core purposes is to maintain and seek to make continuous improvements in the delivery of its professional registration service so that only those who are appropriately qualified can teach in grant-aided schools in Northern Ireland.

The Council has continued to work with both the Department of Education and the Departmental Solicitors' Office to find solutions to the legislative weaknesses within its current regulatory powers. These legislative weaknesses have prevented the Council from developing the required regulatory processes expected of regulatory authorities that meet the current standards, established in public and human rights law.

In the meantime, the Council continues to maintain due diligence in dealing with referrals already received in anticipation that once the legislative weaknesses are resolved; it will be in a position to develop a robust and legally defensible regulatory process.

The Council has continued to promote the importance of teachers' professional development and will continue to work in partnership with DE and other stakeholders on the implementation of 'Learning Leaders- A Strategy for Teacher Professional Learning'.

Principal Objectives and Activities

The GTCNI's responsibilities, as set out in the Education (Northern Ireland) Order 1998, Articles 34-41 as amended by the 2003 and 2006 Education (NI) Orders, are as follows:

1. the establishment and maintenance of a register of teachers to support the registration of all teachers in grant-aided schools;
2. regulate the teaching profession;
3. the approval of qualifications for the purposes of registration; and
4. the provision of advice to the Department of Education and employing authorities on all matters relating to teaching including the standards of entry to the profession; the training, career development and performance management of teachers; standards of teaching and teachers' conduct.

The mission of the General Teaching Council for Northern Ireland, working in collaboration with the profession and key stakeholders, is to promote and regulate the teaching professionalism by: advocating the highest standards of professional conduct and practice;

ensuring that everyone wishing to teach in Northern Ireland schools is appropriately qualified, registered and regulated; promoting career-long professional development and providing government and employing authorities with recommendations for enhancing teachers' career-long professional development; and providing an authoritative voice on behalf of the profession, informed by reliable research, evidence and practice.

It continues to be the GTCNI's aspiration to develop its role, influence and standing as an independent and respected professional body for teachers, which represents and regulates the profession for the greater good of teachers, pupils, parents and the general public. In the conduct of its business, the Council is committed to demonstrating its core belief in the value of collaboration, reflection, respect and responsibility. Along with the profession as a whole, the General Teaching Council for Northern Ireland shares and promotes the Department of Education's vision of *'Every young person achieving to his or her full potential at each stage of his or her development'*.

Organisation Performance

The Council completed an election process to elect and appoint a new Council in October 2019. The new Council and its reconstituted Committees came into effect on 15 October 2019 and a new Chair, Mr Brendan Morgan was elected on 10 December 2019.

The Council continues to work to deliver on its statutory remit but encountered some considerable governance and operational challenges in 2019-20. In 2018-19 the Council received an overall "Limited" annual internal audit assurance assessment. Due to a further range of concerns and a lack of progress in addressing previously identified issues, the new Council has been advised that the internal audit assurance position in 2019-20 is an overall *"Unacceptable"* assurance rating. It is accepted that urgent attention is required to address the current challenges.

Governance and Accountability

The Council is designated as a Non-Departmental Public Body (NDPB) sponsored by the Department of Education (DE). The designated Accounting Officer, the Chief Executive Officer, is required to ensure that effective systems of internal control are in place and adhered to, and that the Council complies with all relevant legislation and codes.

The Governance Statement on page 15 addresses governance and assurance issues relating to the management of expenditure and the discharge of responsibilities during the 2019-20 financial year to support the achievement of the Council's objectives. This is in accordance with the responsibilities assigned to the Accounting Officer in 'Managing Public Money (Northern Ireland)' and the principles of 'the Corporate Governance in Central Government Departments; Code of Good Practice 2013', in so far as they relate to GTCNI. In his governance statement the Chief Executive Officer has provided assurance to the Northern Ireland Assembly and to Northern Ireland's teaching profession that the overall *"Unacceptable"* internal audit assurance rating of GTCNI's systems of internal control, governance and accountability is a matter of grave concern and that urgent action is being taken to address the situation.

Council's Committee Structure

The Council, which is representative of the teaching profession and other stakeholders, sets the strategic direction for work within its remit and is supported by an Executive Team of salaried employees. The Council is constituted to operate for a term of four years. A new Council comprising 31 members took up office effective from 15 October 2019.

The Council delegates some of its responsibilities to the following committees:

- Policy, Registration and Regulation Committee;
- Human Resources Committee;
- Finance and General Purposes Committee; and
- Audit and Risk Assurance Committee.

Key Issues & Risks

The Council is presently working with its Sponsor Department (DE) under "special measures" to address the following key issues and risks that potentially impact on its ability to achieve its purpose and corporate objectives:

- The development of a revised legislation framework to enable the Council to fully undertake professional regulation.
- Undertaking an overhaul of all aspects of Information Management & Governance within the Council due to a number of data breaches and the "*Unacceptable*" internal audit assurance opinion.
- Operation of the Council and functioning of its Governance Framework
- Achieving a settled staffing structure aligned to delivery of the Council's Corporate Plan
- Investing in the repair of the current IT system for teacher registration and advancing the procurement of a new replacement system for the longer term.

Equality of Opportunity

The Council meets its equality of opportunity obligations and these are set out in its Equal Opportunities Policy and its Equality Scheme and Disability Action Plan.

PERFORMANCE REPORT - PERFORMANCE ANALYSIS

Results for the Year

The Council had a net deficit after financing of £156,326 for the year (as per page 39).

Corporation Tax

Income in respect of registration fees is regarded as non-trading income for taxation purposes. Corporation tax is chargeable on income from all other sources.

Non-Current Assets

The movement of non-current assets is summarised in the notes to the accounts. The Council does not believe that there is any material difference between the market and historical book values of its non-current assets as at 31 March 2020. The non-current assets are stated at historical cost less depreciation and have not been re-valued during the year.

Reporting Performance

GTCNI operates in an environment where income is flat-lining and expenditure is managed within the approved budget allocation from the Department of Education.

The Council measures its performance against the objectives contained in the Council's annual Business Plan. Risks to the achievement of Business Plan objectives are assessed and managed through regular review and update of the Council's Corporate Risk Register. Overall accountability on progress in meeting objectives is provided through detailed Quarterly Monitoring reporting to both the Council and the Department of Education.

During the year the Council was able to deliver on the following corporate goals as set out in the 2019-20 Business Plan;

- Throughout 2019-20, the Council continued to engage with the profession and education stakeholders on the standards of teaching, learning and leadership as part of supporting the delivery of DE's 'Learning Leaders - A Strategy for Teacher Professional Learning'.
- As part of the Council's involvement in the Learning Leaders, the Council is leading the development of a competence framework for leadership at all levels. The Council continues to work with DE through the Learning Leaders Oversight Group. This collaborative work is ongoing and a suite of leadership competences has been drafted for further consideration by Policy, Registration and Regulation Committee (PRRC), Council and the DE Oversight Group during 2020.
- The Council completed the reaccreditation of all local Post Graduate Certificate in Education (PGCE) programmes delivered by Northern Ireland's Higher Education Institutions (HEIs) and work is now ongoing to accredit the B.Ed. programmes offered by the local HEIs.
- The Council completed the teacher registration process for 2019-20, registering 26,107 teachers and generating registration fee income of £1,148,714.
- The Council continued to approve qualifications of a number of new applications to the register to teach in Northern Ireland, generating £32,271 in application fees.

- Development work on a new website was undertaken in 2019 with the new site website going live in December 2019. This important item of infrastructure will, in the future, afford the Council significant added functionality.
- An interim upgrade solution for the current registration IT system was identified, business case approval received, procurement arrangements completed and work initiated on the interim repair to the system.
- The Council appointed Electoral Reform Services to manage and oversee the election process to appoint elected Council members to a new Council from October 2019. A new Council was established from 15th October 2019, Committees re-constituted and the first round of Council business meetings completed.
- The Council continued to monitor developments associated with Brexit and the potential impact on teacher registration.
- The 2018-19 Annual Reports and Accounts were drafted and subject to audit by the NIAO in accordance with DE's Accounts Direction and timetable. The laying of the 2018-19 Accounts has been delayed due to the election of a new Council and the re-constitution of its Committees and associated induction processes.
- The 2018-19 and 2019-20 Pay Remit Business Case was completed and submitted to DE Workforce Planning.
- Throughout 2019-20 the Council engaged with its Centre of Procurement Expertise – Central Procurement Directorate (CoPE CPD) to ensure that all procurements were in compliance with public procurement regulations.
- Throughout 2019-20 99% of all non-disputed invoices were paid within 10 working days.
- Throughout 2019-20 100% of all non-disputed invoices were paid within 30 working days.
- The Council managed its expenditure in accordance with the DE resource budget allocation and under/over spending tolerance of +/- 1% for the year. In 2019-20 there was a budget overspend of £66,201 (5.6%). Net of Voluntary Exit Scheme (VES), the over spend was £8,732 (0.75%).

Other goals that were partially or not delivered/deferred by the Council were;

- The professional regulation of teachers remains hindered by the limitations of the current legislation framework. The Council continues to work with DE to address and resolve this matter.
- A review (desktop research and supplementary engagement) of routes into teaching and qualifications presently recognised in England, Scotland, Wales and the Republic of Ireland was planned. Due to resourcing this was not completed and has been deferred to 2020-21.
- The Council made progress in the development of a Corporate Plan setting out its strategic objectives to 2023. This Plan continues to be discussed and considered by the new Council. Staffing requirements are being reviewed in the light of this Plan.

- A work-streamed scoping document has been drafted to develop a GTCNI Competence Guidance Document to promote greater use of the GTCNI teacher competences by the profession and key sector stakeholders. However, due to resource availability and the implications of ongoing work on leadership competence development, it has been decided to defer this work-stream until later in 2020-21.
- The Council had planned to initiate a review of the 27 teacher competences to ensure they remain “fit for purpose” and refine as necessary. However, due to resource availability and the implications of ongoing work on leadership competence development, it has been decided to defer this work-stream until the final outcome on the proposed leadership competences.
- A review of the Funding and Reserves Policy has been deferred by the Council and will be addressed in light of the Corporate Plan and underpinning business strategy in 2020.
- The development of a Communications and Promotion Strategy for the period to 2023 to support the Corporate Plan has been deferred due to resourcing and delays in agreeing the Corporate Plan.
- The Council continued to progress the necessary approvals and arrangements for the replacement of its teacher registration IT system. Business cases have been submitted to the Department of Education seeking approval to procure a project manager and consultancy support to develop the overarching business case for the new system. Work on a Statement of Requirements was paused as attention was diverted to undertaking essential repair work to the current system and addressing associated business continuity issues. Replacement of the registration system remains a priority for the Council in 2020-21.
- A Project Initiation Document has been drafted for a programme of work to improve Information Management and Governance and to address important issues highlighted in a review undertaken by DE in September 2019.
- A full Council effectiveness review has been deferred to 2020-21 to allow for a full year of operation of the new Council.

GTCNI is committed to identifying and making sustainable environmental improvements where possible. GTCNI continues to address sustainability through recycling activities, minimisation of paper waste production and utilising electronic technology where possible to support its business operations. Throughout the Covid-19 pandemic, GTCNI, like other organisations across both the public and private sectors, facilitated and resourced staff to work remotely to ensure business continuity. This has had a positive knock-on impact on travel and the environment and will be considered in any future GTCNI policy development.

GTCNI operates a zero tolerance approach to fraud, bribery and corruption. An Anti-Fraud and Bribery Policy incorporating a Fraud Response Plan outlines in detail GTCNI’s approach to these areas.

GTCNI has an approved Equality Scheme and Disability Action Plan and is committed to fulfilling its statutory obligations under the Scheme.

With regards to the Covid-19 pandemic which impacted the GTCNI towards the end of March 2020, the organisation was able to support staff in working remotely from home. As the pandemic has developed throughout 2020-21 financial year, staff continue to be supported in working remotely. GTCNI will continue to review the impact of Covid-19 upon its operations and will work towards a return to business normality in accordance with public health recommendations and guidance.

ACCOUNTABILITY REPORT

Corporate Governance Report

Report of Council

Council Members

The General Teaching Council for Northern Ireland (GTCNI) (the Council) is the professional registration and regulatory body for teachers in Northern Ireland. The Council's work is funded by teachers' annual registration fees.

GTCNI is governed by a representative Council comprising 31 members at present (full complement 33). Fourteen members are elected in accordance with paragraph 5 of the Constitution Regulations and the Council's Scheme of Election and nineteen members are appointed by the bodies set out in paragraph 7 of the Constitution Regulations. A new Council was elected 14th October 2019. The new Chair, Mr Brendan Morgan was appointed 10th December 2019.

Senior Management Team

Mr Sam Gallaher is the Chief Executive Officer/Registrar. Mr Gallaher is supported by professional staff responsible for the Council's strategic and operational work programmes. During the year the following staff were members of the Senior Management Team; Mr Sam Gallaher (Chief Executive Officer), Mr Gerry Devlin (Senior Education Officer) and Mrs Majella Matthews (Finance & Contracts Manager).

Register of Interests

A Register of Interests of all Council members and officers is held by GTCNI and is available on request.

Format of Accounts

The Annual Report and Accounts have been prepared in accordance with the requirements and guidelines set out in the Government's Financial Reporting Manual (FReM) issued by the Department of Finance, which is in force for the financial year for which the accounts are being prepared, and under an Accounts Direction given by the Department of Education in accordance with paragraph 12 of Schedule 1 to the Education (Northern Ireland) Order 1998. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Prompt Payment

The Council is committed to the prompt payment of bills for goods and services received in accordance with the terms of contracts. It aims to pay invoices within 10 days and no later than 30 days. GTCNI complies with the British Standard for Achieving Good Payment Performance in Commercial Transactions (BS 7890), and with the Late Payment of Commercial Debts (Interest) Act 1998 as amended and supplemented by the Late Payment of Commercial Debts Regulations 2002. During the year the Council paid 99% of its invoices within 10 days and 100% of all invoices non-disputed within 30 days, and as such no commercial debt interest was paid or due.

Auditors

The Council's financial statements are audited by the Comptroller & Auditor General for Northern Ireland (C&AG) in accordance with paragraph 12 of Schedule 1 to the Education (Northern Ireland) Order 1998. The Northern Ireland Audit Office and its staff are wholly independent of the Council and the Department of Education. The Comptroller & Auditor General reports his findings to the Northern Ireland Assembly.

The Council incurred a notional audit fee of £11,500 in respect of the audit of the financial statements. The Northern Ireland Audit Office received no remuneration in respect of non-audit work during the year.

The Council confirms that:

- so far as its Chief Executive Officer is aware, there is no relevant audit information of which the Council's auditors are unaware; and
- the Chief Executive Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Council's auditors have been made aware of that information.

TABLE 1: Council membership for the period was as follows:

ELECTED MEMBERS		
Representation Provided for	Name of Representative	Representative from
Nursery School Representative	Ms Sonia McGowan	October 2019
Special School Representative	Ms Julian Morgan	October 2019
Primary School Representatives	Ms Ciara Duffy Ms Shaunagh Lambe Ms Lisa Magennis Ms Catriona Mullan Ms Catherine McBride	October 2019 October 2019 October 2019 April 2016 January 2020
Secondary School Representatives	Dr David Baxter Ms Siobhan McElhinney Mr Brendan Morgan Ms Susan Parlour Mr Keith Smith	October 2019 April 2016 April 2016 April 2016 October 2019
Primary School Principal	Dr Graham Gault	October 2019
Secondary School Principal	Ms Fiona Kane	October 2019

APPOINTED MEMBERS		
Representation Provided for	Name of Representative	Representative from
Northern Ireland Teachers' Council	Mr John Kelly Mr Raymond Beggs Mr Gordon White Ms Emma Loughridge Ms Geri Cameron	October 2019 April 2016 March 2016 October 2019 January 2020
The Education Authority	Ms Aine Andrews Ms John Unsworth	October 2019 October 2019
Council for Catholic Maintained Schools	Mr Paul O'Doherty Ms Shirley McKenna	October 2015 October 2019
Comhairle na Gaelscolaíochta	Ms Maria Thomasson	October 2019
Governing Bodies Association	Ms Mary Lou Winchborne	October 2015
Northern Ireland Council for Integrated Education	Ms Cliodhna Scott-Wills	May 2015
Transferor Representatives' Council	Mr John Wilkinson	October 2019
Trustees of Catholic Maintained Schools	Mr Martin Cromie	October 2019
Universities Council for the Education of Teachers	Dr Martin Hagan	October 2015
Department of Education	Ms Maria Mullally Mr Paul Boyle Vacant	March 2016 Resigned March 2020

Complaints Procedure

The Council has a complaints process in place to ensure that complaints from both stakeholders and the public are dealt with in a timely, open and fair way and in line with public sector good practice. A copy of the Complaints Procedure is available on request from the GTCNI.

There were two complaints received during the period.

The Council received a communication on 16 July 2019 (and a follow up communication on 18 August 2019) which can be regarded as a complaint under the GTCNI Complaints Policy. The complaint related to a Freedom of Information request and other matters.

The Council received a communication on 31 October 2019 but after consideration of the content it was established that the content did not fall within the Complaints Policy. The Complainant was advised accordingly and given guidance on how best to deal with the matters raised.

Health and Safety

The Council is committed to adhering to Health and Safety legislation at work to ensure that staff and visitors enjoy the benefits of a safe environment.

All staff have access to an independent and confidential counselling, support and advice service. This counselling support is free to staff at the point of use and is totally external to the Office.

Following the Government Guidelines in relation to Covid 19 the Council's offices were closed to visitors from 18 March 2020. Staff are presently working from home.

Charitable Donations

The Council made no charitable donations during the period.

Personal Data Related Incidents

During 2019-20 four personal data related incidents were brought to the attention of the Data Protection Officer.

One was confirmed as a minor breach and has been dealt with accordingly.

The second incident was confirmed as a minor breach and has been investigated by the DPO and dealt with accordingly.

A third incident was reported to the ICO who advised the breach did not require notification to them. The DPO subsequently carried out an investigation and a report was given to the Chair of Council and to the complainant.

A fourth incident related to an issue with a Council member which was brought to the attention of NICS IAFIS. Internal audit is in receipt of an investigation report into this matter.

A data breach occurred in the later part of 2020-21 that is significant. The matter has been referred to the Information Commissioner's Office and investigation is ongoing.

Disabled Persons

The Council has an Equality Commission approved Equality Scheme and Disability Action Plan in place. 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 all parties including those considered disabled.

Future Developments

The Council continues to work on a number of key initiatives, including:

- operationalising the Council's limited powers to regulate the teaching profession;
- a transformation programme based on the recommendations of an independent review carried out in September 2017;
- working with DE on the implementation of 'Learning Leaders - A Strategy for Teacher Professional Learning'. This is a DE strategy spanning 10 years. GTCNI are currently leading on development of teacher leadership competencies; and
- the replacement of its core IT registration system.

Reconstitution of Council

As and from 15 October 2019, the Council is reconstituted in accordance with the GTCNI (Constitution) Regulations (Northern Ireland) 2001.

Chairperson

The Chair elected by Council until 14 October 2019 was Mr David Canning OBE.

During October 2019 a process was carried out to elect a new Chair of Council. The individual who achieved the most votes was later deemed ineligible to be a member of Council and Mr Brendan Morgan with the second highest number of votes was deemed elected on 10 December 2019.

Important Events Occurring after the Year End

- All staff continued to work remotely during 2020-21 as a consequence of Covid 19 restrictions;
- The operation of Council continues to give cause for concern and the Council continues in "special measures";
- The Minister for Education has initiated a further review of the Council to take place in 2021; and
- A data breach occurred in the later part of 2020-21 that is significant. The matter has been referred to the Information Commissioner's Office and investigation is ongoing.
- Over the period, 17th May – 18th June 2021 there have been 6 resignations from Council and 3 organisations who have withdrawn/suspended their nominees from the Council (4 members).



Sam Gallaher

Chief Executive Officer

Date: 30th June 2021

STATEMENT OF THE GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND AND THE ACCOUNTING OFFICER'S/CHIEF EXECUTIVE OFFICER'S RESPONSIBILITIES

Under paragraph 12 of Schedule 1 to the Education (Northern Ireland) Order 1998, the Department of Education, with the approval of the Department of Finance, has directed the General Teaching Council Northern Ireland (GTCNI) 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 state of affairs of the GTCNI and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

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

- observe the Accounts Direction issued by DE, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The DE has appointed the Chief Executive as Accounting Officer of the GTCNI. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the GTCNI's assets, are set out in *Managing Public Money* published by the HM Treasury.

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



Sam Gallaher

Chief Executive Officer

Date: 30th June 2021

GTCNI GOVERNANCE STATEMENT

Introduction

This Governance Statement sets out how in 2019-20 the Chief Executive Officer for the General Teaching Council for Northern Ireland, discharged his responsibility to manage and control the resources of the Council, along with actions taken towards maintaining an effective system of governance and risk management in support of the Council achieving its aims and objectives. The 2019-20 year has proved a challenging one for the Council. In late 2019 the Council was placed under “special measures” by its Sponsor Department (DE) and remains in this position with monthly oversight meetings and greater scrutiny of Council operation.

Covid 19 Pandemic

During March 2020 the organisation had to contend with the Covid 19 pandemic and adjust in response to UK Government and NI Executive guidance. GTCNI had to transition rapidly to a position of remote working that continues. This was achieved successfully with the appropriate infrastructure set in place to maintain adequate day to day operation and to enable Council meetings to take place via video conferencing. This ongoing situation has impacted progress on a number of work-streams.

GTCNI’s Governance Framework

The General Teaching Council Northern Ireland (GTCNI) (‘the Council’) is the professional registration and regulatory body for the teaching profession in Northern Ireland, solely funded by the profession through the annual registration fee.

The Council is deemed a Non-Departmental Public Body (NDPB) and has a Management Statement and Financial Memorandum (MSFM) in place with the Department of Education (DE). The Management Statement creates a broad framework within which the Council is required to operate. The Financial Memorandum defines the financial parameters and constraints with which the Council is obliged to comply.

The Council is constituted in accordance with the ‘The General Teaching Council for Northern Ireland (Constitution) Regulations (Northern Ireland) 2001. During 2019-20 there was a transition to a new Council, with a new Council being appointed (partly by election) from 15th October 2019. A new Chair, (Mr Brendan Morgan) was elected on 10th December 2019. . The new Council will serve for a period of four years. Throughout the year the Council had a membership of thirty one comprising representatives from the teaching profession and the wider education service in Northern Ireland. One nominee member resigned in March 2020. A further member resigned from the Council in December 2020. Presently the Council is down four members, three of which are DE nominees. DE have initiated a recruitment process.

Our gratitude is expressed to outgoing members of the Council for all the, advice, expertise and service given during the tenure of the Council, in particular thanks is due to Mr David Canning MBE, the outgoing Chair for the quality of his leadership.

The Chief Executive Officer is responsible to the Council for the effective operational leadership and management of the organisation, its staff, and resources and for ensuring good governance. The Chief Executive Officer is also responsible to the Minister of Education, through the Permanent Secretary of the Department of Education for ensuring that effective

systems of internal control are maintained and for continuing improvement, including progressing the recommendations of the Organisational Review agreed in 2017.

Council and its Committees

The Council has corporate responsibility for the overall strategic direction of GTCNI, its financial viability and for promoting the efficient, economic and effective use of resources and for operating within the MSFM framework. Its role is formalised through its statutory functions and Governance Framework which comprises, the MSFM, Standing Orders and Code of Conduct for Council Members.

Throughout 2019-20 Council sought to maintain effective governance. Council met five times during the year, and each of its four sub-committees met a minimum of four times, subsequently providing written minutes to Council and providing assurance on their respective areas of responsibility. A special meeting of Council took place in June 2019 to consider important HR related matters that emerged in May in relation to a NIPSA Staff Survey.

The sub committees comprise:

- Policy, Registration and Regulation Committee;
- Finance and General Purposes Committee;
- Human Resources Committee; and
- Audit and Risk Assurance Committee.

TABLE 2A:

Council and Committee attendance April 2019 to new Council in October 2019

Member	Council Attendance (incl.31 members Special Meeting)	Sub-Committee Attendance (possible attendance shown in brackets)			
		Audit & Risk Assurance	Finance & General Purpose	Policy Registration & Regulation	Human Resources
D Canning	3(3)		1(2)	2(2)	2(2)
P O'Doherty	3(3)		0(2)	2(2)	0(2)
A Andrews	2(3)			2(2)	
R Beggs	3(3)	2(2)	1***		
D Boggs	1(3)		1(2)		
C Bowles	2(3)		2(2)		
P Boyle	0(3)		2(2)		
J Burns	2(3)			1(2)	
D Cargo	2(3)	2(2)			
M Crudden	0(3)****			0(2)****	
M Culbert	0(3)				0(2)
G Dunlop	1(3)		1(2)		
S Fleming	0(3)	1(2)			
P Fitzpatrick	3(3)				2(2)
M Hagan	1(3)			0(2)	
G McAleer	3(3)				
P McAllister	2(3)*		0(2)*		
C McCartan	2(3)			2(2)	
E McDowell	2(3)				1(2)
S McElhinney	3(3)*		0(2)*		
B McGrath	0(3)				1(2)
B Morgan	3(3)		1***	2(2)	
M Mullally	2(3)			1(2)	
C Mullan	2(3)			2(2)	2(2)
C Murdock	0(3)				0(2)
S Parlour	2(3)	1(2)			
R Rainey OBE	2(3)	1(2)			
T Salmon**		1(2)			
C Scott-Wills	1(3)			2(2)	
G White	3(3)			1(2)	
ML Winchborne	2(3)			2(2)	

* Industrial Action

** Independent Member of the Audit and Risk Assurance Committee

*** Attended as an observer

**** Left Council in October 2019

TABLE 2B:

New Council and Committee attendance from October 2019 (including Induction)

Member	Council Attendance (incl Special Meeting)	Sub-Committee Attendance (possible attendance shown in brackets)			
		Audit & Risk Assurance	Finance & General Purpose	Policy Registration & Regulation	Human Resources
B Morgan	3(3)		1(1)	1(1)	1(1)
S McElhinney	3(3)		0(1)	1(1)	1(1)
A Andrews	1(3)	0(2)			
D Baxter	2(3)	1(2)			
R Beggs	3(3)	2(2)			
P Boyle***	1(3)		0(1)		
G Cameron*	0(3)	1(2)			
M Cromie	2(3)				1(1)
C Duffy	3(3)				1(1)
G Gault	3(3)		0(1)		
M Hagan	2(3)			0(1)	
F Kane***	3(3)			0(1)	
J Kelly	3(3)				1(1)
S Lambe	2(3)		1(1)		
E Loughridge	1(3)		1(1)		
C McBride*	0(3)		1(1)		
S McGowan	3(3)		1(1)		
S McKenna	1(3)				1(1)
L Magennis	3(3)			1(1)	
J Morgan	3(3)			1(1)	
M Mullally	3(3)			0(1)	
C Mullan	3(3)				1(1)
P O'Doherty	3(3)	2(2)			
S Parlour	0(3)	2(2)			
T Salmon**		2(2)			
C Scott-Wills	2(3)				0(1)
K Smith	2(3)		1(1)		
M Thomasson	3(3)			0(1)	
J Unsworth	3(3)				1(1)
G White	0(0)			0(1)	
J Wilkinson	2(3)	0(2)			
ML Winchborne	3(3)			1(1)	

* Appointed post 15th October 2019

** Independent Member of the Audit and Risk Assurance Committee

*** Resigned from Council

Committee Highlights

In addition to the highlights detailed below, each sub-committee of Council monitored progress of the 2019-20 Business Plan on a quarterly basis and participated in discussion to shape the organisation's Corporate Plan to 2023.

Policy, Registration and Regulation Committee (PRRC)

In addition to oversight of the annual teacher registration process, the Committee's priorities were the development of a leadership competency framework in support of the Learning Leaders policy, accreditation of the PGCE programmes delivered by the HEIs in Northern Ireland for Initial Teacher Education (ITE), the continued development of GTCNI's approach to professional regulation of the teaching profession and the election process for a new Council.

Following the adoption of revised Conduct Rules for Regulation by the Council in January 2019 and agreement to implement full professional regulation the Committee monitored progress in processing regulation referrals beyond screening stage. Unfortunately, issues pertaining to the current legal framework for regulation emerged that are significant. Work between GTCNI and DE to resolve these matters is ongoing.

The Committee maintained oversight of processes for the registration of teachers and the approval of qualifications to teach in Northern Ireland. Through the Committee the Council exercised its responsibility to ensure that only suitable individuals with qualifications approved by GTCNI are able to teach in grant-aided schools in Northern Ireland.

The Committee continues to encourage (and receive reports on) the engagement of GTCNI staff with the teaching profession and key stakeholders across the education sector in NI. To this end GTCNI seek to maintain a level of direct professional contact. During the year GTCNI engaged at Teacher Unions Conferences, with Standing Conference on Teacher Education, North & South (SCoTENS) and with Universities Council for Education of Teachers NI.

The Council continues to play an active role in the implementation of 'Learning Leaders – A Strategy for Teacher Professional Learning' through active participation on a number of working groups. GTCNI is a member of the Oversight Group for Learning Leaders, is leading a stakeholder group in the development leadership competences and is part of a working group considering guiding principles for Teacher Professional Learning. All of this work the Council considers important for ensuring and promoting the provision of quality continual professional learning for teachers.

Finance and General Purposes Committee (F&GP)

The Committee continues to exercise its core responsibility for financial planning and budget monitoring. This Committee also monitors the addressing of audit recommendations relevant to its area of responsibility. Following the establishment of a new Council with effect from 15 October 2019, the F&GP Committee was reconstituted with effect from January 2020. The following outlines the work of the Committee, old and new, over the course of 2019-20.

Members oversaw the preparation of the 2018-19 Annual Report and Accounts in accordance with the DE Accounts Direction and Timetable. The 2018-19 Annual Report & Accounts

received an unqualified external audit opinion and were adopted by the Council at its meeting in July 2020 and subsequently laid before the Assembly.

The Committee has been concerned with financial planning in support of the development of the Council's Corporate Plan to 2023, particularly the use of income and revisions to the Reserves Policy for Council's cash balances. The financial impact arising from a move to full professional regulation remains an important factor in financial planning. At present things remain uncertain. It is the Council's intention to run down its reserves over the period to 2023 (though maintaining cover for medium/long-term liabilities) supporting professional regulation and investing in a new IT system to support the administration of Registration. In addition the Committee will undertake a strategic review of financial requirements.

The Committee monitored progress of the Council's two main capital investments during the year; the development of a new website and procuring the replacement for a Registration Support System, (the Council's key IT system). A successful procurement and development was completed for the website which went live in December 2019.

Progress with the replacement of the current registration system was hampered by difficulty in recruiting a full time project manager (now addressed) internal resource issues and by attention having to be devoted to addressing significant shortfalls in the current system. The Council was notified of the withdrawing of supplier support for key software elements of the system from January 2020. An interim repair solution is being implemented. This solution will provide a two year window for the Council to complete its system replacement project.

Human Resources Committee (HRC)

This Committee continues to oversee and monitor the performance of GTCNI in respect of organisation development and HR matters. Focus continues on the implementation of a transition plan and the recommendations from a review of management culture and practice.

The Committee considered proposals for revisions to the staffing structure as part of the development of the Council's Corporate Plan to 2023. Proposals have been agreed in principle subject to confirmation of affordability. The Committee recommended that Council adopt use of a Voluntary Exit Scheme being offered and funded by DE in 2019-20. The applications for four staff to exit GTCNI under this scheme were subsequently approved. Work on the revision of HR policies continues with the development of a new staff handbook and a staff performance management scheme now at an advanced stage. Consultation on revised policies continued through 2020-21 with Phase 1 of the new handbook complete.

The Committee provided oversight of the Chief Executive Officer's actions on employee relations matters and welcomed progress in addressing key HR concerns that emerged in the early part of the year. As part of this the Council commissioned its HR adviser to undertake a programme of engagement with staff. This culminated in a new HR Action Plan being adopted by the Council in October 2019. This is presently being implemented and the HR Committee has oversight of this. Dignity at Work training has been provided to all staff.

Long-term staff absence in 2019-20 was higher than expected and was a source of concern. However staff absence reduced significantly in 2020-21 and is now within acceptable

tolerance. The Council (via the HR Committee) is addressing all HR matters in accordance with its policies.

Agreement has yet to be reached on the composition of a Joint Negotiating Committee with NIPSA representatives under the Recognition and Procedural Agreement authorised in 2018. This remains another matter of concern.

Audit and Risk Assurance Committee (ARAC)

The ARAC continues its vital role of providing assurance to Council and guidance to the Chief Executive Officer on corporate governance, risk management and internal control. During 2019-20 Mr Trevor Salmon continued as the Independent co-opted member of this Committee and we thank him for his contribution. Representatives from internal and external audit organisations attended all meetings of this Committee, as did two DE as observers.

During 2019-20 the Committee met on four occasions. The Committee reviewed the Council's Risk Management Framework and regularly monitors the Corporate Risk Register. Particular consideration is being given to the risk of financial sustainability in light of the impact of moving to full professional regulation.

The Committee oversees a programme of internal audit. In 2018-19 the audit programme included Information Management, Financial Systems, Risk Management and Governance, HR policies and review of previous recommendations. An overall "Limited" opinion was received in respect of the operational effectiveness of the framework of governance, risk management and control within the Council.

A further programme of internal audit was undertaken in 2019-20 that focused on matters pertaining largely to information governance and management. This also included a review of Information Management Policies and Procedures undertaken by DE from which there is a number of recommendations for the Council to consider. In light of the findings and the failure of Council to make sufficient progress on previously identified issues, the new Council has been advised that the internal audit opinion in 2019-20 is an overall "*Unacceptable*" assurance rating. It is accepted that urgent attention is required to address the current challenges. Considering the level of action required and that the Covid -19 pandemic impacted on operations it is anticipated that this overall assurance rating will remain for 2020-21.

The Committee provided independent scrutiny of the 2017-18 and 2018 -19 Annual Report and Accounts respectively. The former was delayed due to awaiting receipt of notification from HMRC regarding the tax status of GTCNI.

The Committee also provided scrutiny in respect of the Council's Business Plan for 2019-20.

Throughout 2019-20 there were no reported instances of Fraud or Bribery.

In 2019-20 there was one report of Raising a Concern at Work (Whistleblowing) to the GTCNI ARA Committee. Following a preliminary investigation by GTCNI's internal audit this is was progressed by DE. During 2019-20 DE also received a significant level of correspondence on matters pertaining to GTCNI. Much of this DE addressed under its whistleblowing policy.

Board Effectiveness

Council members met regularly in 2019-20, in Council and Committees where appropriate issues were considered. In 2019-20 the Council undertook a review of its performance and effectiveness through:

- Review and approval of its Governance Framework (beginning of 2019-20);
- Review and approval of Terms of Reference by each committee; and
- The appraisal of DE nominated members of Council by the Chair.

At the time these actions were taken, no issues of concern were raised.

A number of concerns emerged in 2019-20 in the operation of the Council. There were a number of breaches of confidentiality in relation to confidential papers being distributed to parties outside of the organisation. Further details are contained in the Data Handling Incidents section of this report. Of particular concern was the level of widely circulated correspondence to outside bodies originating from Council on matters that would normally be directed in the first instance to the Chair of Council. The Chair and CEO worked with DE to investigate and address the situation. Subsequent to this, DE decided to place GTCNI back in Special Measures including monthly meetings between the Chair and Chief Executive and senior DE Officials (including the DE Permanent Secretary). The Council views this as regrettable. Governance remains a point of concern and the organisation remains under “special measures”. The Minister for Education in October 2020 informed the Council that a further review of the Council would be undertaken. This is expected to take place in early 2021-22.

Council Election

A new Council was elected 15th October 2019, and a new Chair, Mr Brendan Morgan, was elected on 10th December 2019.

Governance and Accountability meetings

The GTCNI attends bi-annual Governance and Accountability Review (GAR) meetings with the Department of Education. These are chaired by the Permanent Secretary with the Chief Executive Officer and Chair of Council. Meetings took place in June and November 2019. The significant issues facing the Council were noted, including the difficulties surrounding professional regulation.

As a result of its concerns, DE introduced additional oversight arrangements in September 2019, before placing GTCNI into Special Measures in December 2019. These continue.

Compliance with the Corporate Governance Code

The ‘Corporate Governance in Central Government Departments: Code of Good Practice in Northern Ireland 2013’ seeks to promote good corporate governance. The focus of the Code is on ministerial departments, but as an NDPB GTCNI seeks to comply with the practices set out in the Code insofar as it relates to the work of the Council.

Quality of Data used by Council

The Council relies on a range of data to inform its deliberations and decision making, including:

- Financial and operational information, including regular management reports which are subject to internal controls and review;
- Regular reports from internal audit activity and summarised in the Audit Annual Assurance Report;
- Statistical information from the Council’s registration database which is refreshed and updated on a regular basis; and
- Policy advice derived from research and consultation with stakeholders.

The Council considers that it has confidence in the information and data received during 2019-20.

A pertinent issue that is being addressed relates to the current IT system used by GTCNI to support the administration of teacher registration. This system underpins the register of teachers and provides a lot of the information on the teaching profession used for Council business. The current system is aging and requires an interim “fix” which is presently being undertaken. This solution will provide a two year window for the Council to complete its system replacement project

Ministerial Directions

During 2019-20 no Ministerial Directions were sought or given.

Data Handling Incidents

The General Teaching Council for Northern Ireland is required to comply with the Data Protection Act 1998 and, from May 2018, the General Data Protection Regulations (GDPR) in the handling and storage of personal data.

The Council reviewed its data protection arrangements to ensure its compliance with GDPR. The arrangements were the focus of an internal audit in 2018 and were deemed satisfactory. The Council’s current Data Protection Officer arrangement is temporary and the responsibility will transfer to the Corporate Services function in due course. In 2019-20 Council had an internal working group to embed its Record Retention & Disposal policy.

A full review and overhaul of the Council’s approach to Information Management & Governance is required following initial audit by the CEO, a review undertaken by DE in October 2019 and a subsequent 2019-20 “Unacceptable” internal audit report. A formal project to undertake this work is being scoped and a Project Initiation Document prepared. This important programme of work will be undertaken in 2020-21 when the necessary resources are secured. In the meantime work is underway to strengthen procedures related to FOI.

During 2019-20 four personal data related incidents were brought to the attention of the Data Protection Officer. One was confirmed as a minor breach and has been dealt with accordingly. The second incident was confirmed as a minor breach and has been investigated by the DPO and dealt with accordingly. A third incident was reported to the ICO who advised the breach did not require notification to them. The DPO subsequently carried out an investigation and a report was given to the Chair of Council and to the complainant. A fourth incident related to an issue with a Council member which was brought to the attention of NICS IAFIS. Internal audit is in receipt of an investigation report into this matter.

A further significant data breach occurred in 2020-21 which was reported to the ICO and is presently being investigated by Group Internal Audit and Fraud Investigation Service.

Risk Management

Risk management is the process through which we seek to control the level of risk facing GTCNI and to reduce its effects.

The GTCNI Risk Management Framework is based on the principles that the Chief Executive Officer (CEO) assumes responsibility for risk management across GTCNI as a whole and that the Council, through its Audit and Risk Assurance Committee takes an open and receptive approach to discussing and addressing risks across GTCNI; that there is a recognition and disclosure of the financial and non-financial implications of risks and that monitoring key risks is a priority for the management team.

The Risk Register is subject to quarterly review and update as appropriate, and sign-off by officers. The Corporate Risk Register is a standing agenda item for all meetings of the Audit and Risk Assurance Committee. The Corporate Risk register has been updated increasing the number of risks from five to ten. The following ten key corporate level risks and challenges were identified:

1. Ineffective governance and accountability framework for the organisation leads to difficulties in day to day operation, ineffective operation of the Council and failure to fulfil its statutory functions;
2. Failure to comply with agreed governance framework, policies and procedures in day to day operations resulting in failure of organisation to deliver on statutory requirements and corporate objectives;
3. Ineffective arrangements for ensuring business continuity due to systems failure, untoward incidents or emergencies;
4. Ineffective Information Management & Governance compromises organisation operations and effectiveness;
5. That the current legal and administrative frameworks do not provide sufficient protection from legal challenge;
6. Risk to organisation effectiveness and financial sustainability arising from flat-lining income, increasing costs and the move to full professional regulation;
7. Failure to progress recommendations from review of GTCNI impacts adversely on organisational performance and effectiveness;
8. The risk to business continuity due to aging technology and unsupported elements of the Council's main IT system - teacher registration database;
9. Continuing delay and failure to procure a new Registration, Regulation Support System results in no registration IT system being available to GTCNI with operations significantly impaired;
10. Ongoing HR issues adversely impact the ability to deliver day to day operations.

In relation to Risk 5, the Council through consultation with its legal advisers and the Department of Education are working to agree a process for professional regulation consistent with the legislative provisions. The GTCNI Conduct Rules relating to professional regulation are subject to ongoing review and amendment in the context of legal advice and developing case law. Both PRRC and ARAC maintain a close scrutiny and governance focus in

this critical area. PRRC receives a regulatory update report and may at any stage ask the ARAC to conduct and oversee a review of the Council's regulatory function.

In relation to Risk 9, the F&GP and ARAC committees are to receive project progress reports at each meeting.

The impact of these risks is currently assessed as being significant. Taking action to mitigate such risks remain an important focus of the Council in 2020-21 and throughout its term.

Significant Issues

Professional Regulation

The ability to remove members, whose conduct or behaviour falls below expected standards, is a core feature of all professional bodies. In the case of the teaching profession in Northern Ireland the legislation that established GTCNI and the GTCNI Regulations 2015 provide the legal basis for professional regulation. GTCNI continue to work with DE on a revised timetable leading to full professional regulation. GTCNI is processing referrals as far as possible in the present circumstances.

Council recognises the significant importance of this work for both the profession and public and is taking all reasonable steps to ensure that its processes are appropriate and suitably robust.

HR Management

Work is being undertaken to address the HR issues that emerged in 2019-20 with the action plan adopted by the Council being taken forward by the CEO with regular review by the HR Committee.

Council Effectiveness

The present Council operates within the Governance Framework developed in 2017. Elements of the Governance Framework require strengthening in order to maintain proper operation of Council, confidentiality and sanction. While the Council has adopted a Corporate Plan to 2023 both leadership and the co-operation of Council members are critical factors for the success of GTCNI moving forwards. Concerns continue to be expressed about the operation of the Council and it remains under "special measures" with a Ministerial Review to be undertaken in 2021. Under "special measures" the CEO and the Chair and Vice-Chair of Council are required to attend monthly oversight meetings (MOMs) with Department of Education officials. These MOMs are in addition to the bi-annual Governance and Accountability Review (GAR) meetings provided for under the MSFM with the Department. In addition DE officials attend all Committee and Council meetings.

The Corporate Plan sets the direction for the organisation and the strategic objectives of the Council to 2023. These are:

- Fulfill all statutory legal functions and maintain a financially sustainable organization, demonstrating effective stewardship and governance;

- Continue to promote professionalism amongst teachers through offering appropriate advice and guidance and work towards embedding competence based professional development across the education sector;
- Promote the interests of the profession through effective engagement and by working collaboratively with stakeholders across the education sector in NI;
- Secure within the teaching profession a greater sense of ownership and recognition of GTCNI as its professional body; and
- Develop GTCNI as appropriate, ensuring it continues to meet the professional needs of teachers in a manner consistent with our remit.

The key activities to deliver corporate objectives are reflected in annual business plans.

Financial Sustainability

While GTCNI is classified as an NDPB it receives no direct annual funding from DE or any other Government source. GTCNI is funded from the fee income charged to teachers for registration and new registration applications processing presently circa £1.175m per annum.

The Council, through its Chief Executive Officer and management team, will seek to take appropriate steps to ensure the ongoing viability of GTCNI and to increase its effectiveness in delivering for the local teaching profession while maintaining optimum efficiency in day to day operations.

Internal Audit Assurance

GTCNI presently utilises the NICS IAFIS for its internal audit services. During 2019-20 consideration was given to:

- Information Management;
- Project Management;
- Business Continuity Planning and Regulation; and
- Previous recommendations.

In addition investigation into breaches of confidentiality within Council was undertaken.

Internal Audit has advised that an overall “Unacceptable” opinion is appropriate for GTCNI for 2019-20. The key factors which have informed this opinion are:

- Investigation work carried out within GTCNI has identified important control weaknesses in relation to Corporate Governance which have the potential to impact on the overall achievement of corporate objectives;
- An Information Management Review carried out by DE’s Information Management Team identified a wide range of weaknesses to the security of data held by GTCNI;
- GTCNI do not have an adequate business continuity process in place which means in the event of a disaster, GTCNI business operations may be vulnerable; and

- Failure to fully deliver on all statutory functions. Regulation is one of GTCNI core functions and is not fully operational.

Considering the level of action required and that the Covid -19 pandemic impacted on operations it is anticipated that this overall assurance rating will remain for 2020-21.

ACCOUNTING OFFICER'S ASSURANCE STATEMENT

GTCNI's Council members and management will endeavour to respond to the challenges currently facing the organisation and will work assiduously (with DE) to address all matters of concern which have necessitated a return to Special Measures.

The Council will work to address corporate governance weaknesses and related matters necessary for GTCNI to deliver its important statutory remit of professional regulation, teacher registration and promoting teachers' professional development. The findings of the Organisational Review of 2017 and recent internal audit recommendations will provide a basis for improvement.

The Council will prioritise the implementation of "Priority 1" recommendations from Internal Audit in light of receiving an "*Unacceptable*" opinion in its Internal Audit Assurance Statement.

It is a legal requirement that all places of work have a health and safety policy, which staff should be made aware of and adhere to. I am satisfied that a health and safety policy is in place and is reviewed.

In conclusion, drawing on the overall assurances provided by internal audit, I can assure the profession, our stakeholders and the Department of Education that this statement is complete and accurately reflects the latest assessment of governance within GTCNI.



Sam Gallaher

Chief Executive Officer

Date: 30th June 2021

REMUNERATION AND STAFF REPORT

Remuneration Report (Audited Information)

The information on pages 29 to 36 is covered by the audit opinion.

Remuneration Policy

The remuneration of Council staff, with the exception of the Chief Executive Officer, is determined by the National Joint Council for local authorities and other authorities of equivalent status. The National Joint Council's principal role is to reach agreement, based on shared values, on a national scheme of pay and conditions for local application throughout the UK.

The remuneration of the Chief Executive Officer, as approved by the Department of Education and Department of Finance, is set in the range of £69,309 - £84,313. The remuneration policy for the Chief Executive Officer provides for annual reviews (including revalorisation and performance related pay) which are restricted within public sector pay limits. The Chief Executive Officer does not receive bonus payments.

Terms and Conditions of Service

Staff appointments are made on merit, in accordance with the Council's Appointments and Promotions Procedure, on the basis of fair and open competition. Staff terms and conditions of employment including salary progression, payment of allowances, leave entitlement and notice periods as outlined in the National Joint Council's Green Book on Pay and Conditions of Service.

Member Emoluments

No remuneration was paid to members of the General Teaching Council during the year.

Chairman's Emoluments

The Chairman, Mr David Canning OBE, received an allowance of £7,046 for the period April to October 2019.

Payments totalling £427 have been made to Mr Brendan Morgan for the period October 2019 to March 2020.

SENIOR MANAGEMENT REMUNERATION (Audited Information)

	2019-20					2018-19				
	Salary £'000	Bonus Payments £'000	Benefits in Kind (to nearest £100)	Pension Benefits (to nearest £'000)	Total £'000	Salary £'000	Bonus Payments £'000	Benefits in Kind (to nearest £100)	Pension Benefits (to nearest £'000)	Total £'000
Officials										
S. Gallaher Chief Executive Officer (commenced 01.08.2018)	80-85k	-	100	27	105-110k	55-60 FTE 80- 85	-	100	18	70-75k
A. Dickson Interim Chief Officer (left 01.07.2018)	-	-	-	-	-	15-20k FTE 70- 75k	-	-	6	20-25k
G. Devlin Senior Education Officer	55-60k	-	100	26	80-85k	55-60k	-	100	10	65-70k
Head of Planning & Corporate Services (left 19.09.2018)	-	-	-	-	-	35-40k FTE 55- 60k	-	-	13	45-50k
M .Matthews Finance & Contracts Manager	45-50k	-	100	17	60-65k	45-50k	-	100	16	60-65k

*

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. This figure has been calculated and provided by NILGOSC.

Salary

'Salary' includes gross salary, performance pay, bonuses and any allowances, all of which are subject to UK taxation. This report is based on payments made by the Council and thus recorded in these accounts.

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HMRC as a taxable emolument.

Bonuses

There were no performance related payments paid or due in respect of 2019-20 (2018-19: nil).

Pay Multiples (Audited Information)

The Council is required to disclose the relationship between the remuneration of the highest paid employee and the median remuneration of the organisation's workforce. The remuneration of the highest paid employee in 2019-20 was £80k-£85k (2018-19: £80k-£85k). This was 2.96 (2018-19: 2.64) times the median remuneration of the workforce, which was £27,905 (2018-19: £31,258). The median remuneration decreased by >10% in the period due to the termination of a fixed term contract and a reduction in honorarium payments for undertaking additional responsibilities.

The total remuneration includes salary, non-consolidated performance related pay and benefits in kind. It does not include employer pension contributions or the cash equivalent transfer value of pensions.

	2019-20	2018-19
	Total Salary £	Total Salary £
Band of Highest Paid Director's Total Remuneration	80-85k	80-85k
Median Total Remuneration	27,905	31,258
Ratio	2.96	2.64

Pensions of Senior Management (Audited Information):

Officials	Accrued Pension at age 60 as at 31/03/2020 and related lump sum £'000	Real increase in pension & lump sum at pension age £'000	CETV at 31/03/2020 £'000	CETV at 31/03/2019 £'000	Real Increase in CETV £'000
S. Gallaher Chief Executive Officer (commenced 01.08.2018)	0-5 plus a lump sum of NIL	0-2.5 plus a lump sum of NIL	46k	18k	21k
G. Devlin Senior Education Officer	30-35 plus a lump sum of 65-70	0 - 2.5 plus a lump sum of 0 - 2.5	692k	666k	11k
M. Matthews Finance & Contracts Manager	0-5 plus a lump sum of NIL	0-2.5 plus a lump sum of NIL	76k	58k	14k

Senior management are members of the NILGOSC pension scheme.

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 CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential 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 effectively 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. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC).

The Council participates in the Northern Ireland Local Government Pension Scheme (LGPS (NI)) administered by the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC). The LGPS (NI) is a multi-employer defined benefit scheme. The assets allocated to the employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purpose of calculating the return to be applied to those notional assets over the accounting period. The LGPS (NI) is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits from 1 April 2015 are based on a Career Average Revalued Earnings scheme. The Scheme is funded by contributions made by both employees and employers who have been admitted to the Scheme. Employee contribution rates depend on their pensionable remuneration and are set between 5.5% and 10.5% for 2019-20. The employer's contribution rate to the NILGOSC scheme is 19%.

Compensation for loss of office (Audited Information)

There was one statutory redundancy payment made upon the end of a temporary contract of employment. The payment made fell within the <£5,000 band.

Staff Report

Total Staff Costs (Audited Information):

	2019-20	2019-20	2019-20	2018-19
	Permanently employed staff	Others	Total	Total
	£	£	£	£
Salaries & Wages	488,074	120,836	608,910	582,209
Social Security Costs	47,830	11,237	59,067	53,204
Pension Costs	209,978	22,430	232,408	277,647
Total	745,882	154,503	900,385	913,060

Four permanent members of staff applied for exit under the Department of Education's 2019-20 Voluntary Exit Scheme (VES). Three staff exited under the VES at 31st March 2020. A further staff member's exit is pending.

Statutory redundancy was paid to one temporary employee upon expiry of their contract on 31 December 2019.

The associated costs totaling £53,962 are included in total staff costs detailed above.

Average Number of Persons Employed (Audited Information):

The average number of whole-time equivalent persons (including senior management) employed during the year was as follows;

	2019-20	2019-20	2019-20	2018-19
	Permanently employed staff	Others	Total	Total
	No	No	No	No
Directly employed	11	4	15	16
Other	0	0	0	1
Total	11	4	15	17

Staff Composition

The composition of staff is as follows:

	2019-20	2018-19
Male	4	4
Female	14	13
Total	18	17

Staff Absence

Council sickness levels, excluding long term sickness, averaged 6.43 days in 2019-20 (4.11 days in 2018-19). Sickness levels, including long term sickness, averaged 33.12 days in 2019-20 (11.49 days in 2018-19). The management of absenteeism is an integral part of a line manager's remit.

Staff Engagement

Two Employee Surveys were conducted during 2019-20. The first was carried out by NIPSA on behalf of its members. The resultant report was circulated to the Council and considered. As a result of the concerns raised in the NIPSA Staff Survey Report regarding staff welfare and the working environment, the Council engaged its own HR provider to carry out a further survey and consultation with all staff. The survey was modelled on the Health and Safety Executive's template for such staff engagements. A report was circulated to Council in August 2019. In response the Council has developed a HR Action Plan aimed at addressing the issues arising.

Expenditure on Consultancy

GTCNI incurred expenditure on consultancy of £1,020 in 2019-20 (2018-19: £5,940).

Off Payroll Engagements

GTCNI had no off payroll engagements in 2019-20.

Exit Packages (Audited Information)

The Department of Education operated a Voluntary Exit Scheme (VES) in 2019-20, funded from the Government Restructuring and Reform Initiative (RRI) budget. As a Non-Departmental Public Body, the Council was offered the option to participate in this scheme with the aim for any exit approved under the scheme to take place by 31st March 2020. Four permanent members of staff applied to avail of the VES. Three left the Council on 31 March 2020 and one is pending.

The cost of the VES for the Council is contained in the following table. All VES costs are recoverable from the Department of Education.

One temporary contract ended on 31 December 2019. Statutory redundancy was paid to the temporary employee. The costs are included within the total costs outlined in the table below.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
<£10,000		2	2
£10,000-£25,000		1	1
£25,000-£50,000		1	1
£50,000-£100,000			
£100,000-£150,000			
£150,000-£200,000			
Total number of exit packages	0	4	4
Total resource cost/£	0	£53,962	£53,962

£53,962 exit costs were paid in 2019-20, the year of departure (2018-19 NIL)

ASSEMBLY ACCOUNTABILITY AND AUDIT REPORT (Audited Information)

Losses and Special Payments

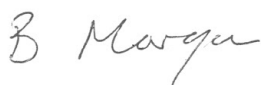
There were no losses or special payments over £250,000 in 2019-20.

Fees and Charges

There were no fees or charges for services provided by GTCNI in 2019-20.

Remote Contingent Liabilities

In addition to contingent liabilities reported within the meaning of IAS 37, the Council also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. GTCNI has no such liabilities.



Brendan Morgan

GTCNI Chairperson

Date: 30th June 2021



Sam Gallaher

Chief Executive Officer

Date: 30th June 2021

GENERAL TEACHING COUNCIL FOR NORTHERN IRELAND

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the General Teaching Council for Northern Ireland for the year ended 31 March 2020 under the Education (Northern Ireland) Order 1998. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of General Teaching Council for Northern Ireland's affairs as at 31 March 2020 and of the General Teaching Council for Northern Ireland's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Education (Northern Ireland) Order 1998 and Department of Education directions issued thereunder.

Opinion on regularity

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

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the General Teaching Council for Northern Ireland in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the General Teaching Council for Northern Ireland's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the General Teaching Council for Northern Ireland has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the General Teaching Council for Northern Ireland's ability to continue to adopt the going concern basis.

Other Information

The General Teaching Council for Northern Ireland and the Accounting Officer are responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Education directions made under the Education (Northern Ireland) Order 1998; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the General Teaching Council for Northern Ireland and Accounting Officer/Chief Executive Officer for the financial statements

As explained more fully in the Statement of the General Teaching Council for Northern Ireland and the Accounting Officer's/Chief Executive Officer's Responsibilities, the General Teaching Council for Northern Ireland and the Accounting Officer/Chief Executive Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Education (Northern Ireland) Order 1998.

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

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

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

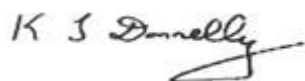
Matters on which I report by exception

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

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court
BELFAST
BT8 6RB
6 July 2021

Statement of Comprehensive Net Expenditure for the year ended 31 March 2020

	Notes	2019-20 £	2018-19 £
Income			
Income		1,181,029	1,175,232
Other Income	4	17,847	11,129
Total operating income		1,198,876	1,186,361
Expenditure			
Staff Costs	3	900,385	913,060
Depreciation	5	650	-
Amortisation	6	2,623	-
Other Expenditure	3	450,259	350,211
Total operating expenditure		1,353,917	1,263,271
Net operating expenditure		(155,041)	(76,910)
Net Return on Pension Finance	2	(9,000)	(10,000)
Credit in respect of notional costs	3	11,500	11,500
Net expenditure for the year before taxation		(152,541)	(75,410)
Taxation for the year		(3,785)	(2,115)
Net expenditure for the year after taxation		(156,326)	(77,525)
Other comprehensive expenditure			
Actuarial (loss)/gain in respect of pension liability		(605,000)	141,000
Comprehensive net (expenditure)/income for the year		(761,326)	63,475

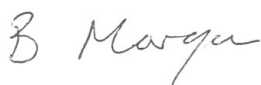
The notes on pages 45 to 62 form part of these financial statements and should be read in conjunction therewith.

Statement of Financial Position as at 31 March 2020

	Notes	2019-20 £	2018-19 £
Non-current assets:			
Property, plant and equipment	5	1,301	1,951
Intangible asset	6	28,847	-
Pension asset	2	-	-
Total non-current assets		30,148	1,951
Current assets			
Trade and other receivables	8	31,376	30,529
Cash and cash equivalents	9	1,920,963	1,902,763
Total current assets		1,952,339	1,933,292
Total assets		1,982,487	1,935,243
Current liabilities			
Trade and other payables	10	(145,643)	(59,073)
Total current liabilities		(145,643)	(59,073)
Total assets less current liabilities		1,836,844	1,876,170
Non-current liabilities			
Retirement Benefit Obligations	2	(1,185,000)	(463,000)
Total non-current liabilities		(1,185,000)	(463,000)
Total assets less total liabilities		651,844	1,413,170
Taxpayer's equity and other reserves			
General reserve		651,844	1,413,170
Total equity		651,844	1,413,170

The notes on pages 45 to 62 form part of these financial statements and should be read in conjunction therewith.

The financial statements were approved on 30th June 2021 on behalf of the Council by:



Brendan Morgan

Chairperson

Date 30th June 2021



Sam Gallaher

Chief Executive Officer, Date 30th June 2021

Statement of Cash Flows for the year ended 31 March 2020

	Notes	2019-20 £	2018-19 £
Cash flows from operating activities			
Net Operating Expenditure		(156,326)	(77,525)
(Increase)/Decrease in trade and other receivables		(847)	(4,688)
(Decrease)/Increase in trade and other payables		86,570	(60,915)
Depreciation charges	5	650	-
Amortisation charges	6	2,623	-
Actuarial (loss)/gain on pension scheme	2	(605,000)	141,000
Pension scheme movement		722,000	30,000
Net cash inflow from operating activities		49,670	27,872
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(1,951)
Purchase of intangible asset		(31,470)	-
Net increase in cash and cash equivalents in the period	9	18,200	25,921
Cash and cash equivalents at the beginning of the period	9	1,902,763	1,876,842
Cash and cash equivalents at the end of the period	9	1,920,963	1,902,763

The notes on pages 45 to 62 form part of these financial statements and should be read in conjunction therewith.

Statement of Changes in Taxpayers Equity for the year ended 31 March 2020

	NET EXPENDITURE RESERVES £	TOTAL RESERVES £
Balance at 31 March 2018	1,349,695	1,349,695
Changes in Taxpayers Equity 2018-19		
Actuarial gain on the pension scheme	141,000	141,000
Net Expenditure for 2018-19	(77,525)	(77,525)
Balance at 31 March 2019	1,413,170	1,413,170
Changes in Taxpayers Equity 2019-20		
Actuarial (loss) on the pension scheme	(605,000)	(605,000)
Net Expenditure for 2019-20	(156,326)	(156,326)
Balance at 31 March 2020	651,844	651,844

The notes on pages 45 to 62 form part of these financial statements and should be read in conjunction therewith.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

1. Statement of accounting policies

These financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by the Department of Finance (DoF). 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 General Teaching Council for Northern Ireland 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.

1.1 Accounting Convention

The financial statements have been prepared under the historical cost convention. These accounts have been prepared in pounds sterling and are rounded to the nearest pound.

1.2 Registration Fee Income

The annual registration year runs from 1st April to the following 31st March, with the fee becoming due on 1st April every year or during the year at time of registration by new applicant. The fee is required to be paid in full regardless of the date on which a teacher actually registers with the Council. There is no reduction for part year registration.

1.3 Pensions

The following disclosures relate to the funded liabilities within the Northern Ireland Local Government Officers' Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (Northern Ireland) (the "LGPS").

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in the 'LGPS (Benefits, Membership and Contributions) Regulations (Northern Ireland) 2009' (as amended).

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in 'The Local Government Pension Scheme Regulations (Northern Ireland) 2014' and the Fund's Funding Strategy Statement. The last actuarial valuation was as 31 March 2019 and the contributions to be paid until 31 March 2023 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate. The Northern Ireland Local Government Officer' Superannuation Committee is responsible for the governance of the Fund.

The assets allocated to the employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return to be applied to those notional assets over the accounting period. The Fund is large and holds a significant proportion of its assets in liquid investments. As a consequence there will be no

significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of the assets for the Fund as a whole (based on data supplied by the administering authority) is shown in the disclosures.

The Funding Administering Authority may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced strategy.

1.4 Property, plant and equipment

Property, plant and equipment is 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. Property, plant and equipment 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

Non-current assets are depreciated on a straight line basis in order to write off the cost less estimated residual value of each asset over its expected useful life at the following rates:

Office Equipment	20% per annum
Furniture and Fittings	20% per annum
Computer Equipment	33.33% per annum

1.6 Intangible assets

Intangible assets comprise software and software licences. Intangible assets are non-financial non-current assets that do not have physical substance but are identifiable and are controlled by the GTCNI through custody or legal rights. An intangible is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to the organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has a cost of at least £1,000.

On initial recognition, intangible assets are measured at cost. Subsequently, they are carried at fair value which is estimated by restating the value annually by reference to appropriate indices.

1.7 Amortisation

Amortisation is provided for all intangible non-current assets with a finite useful life, by allocating the cost (or revalued amount) less estimated residual value of the assets as fairly as possible to the periods expected to benefit from their use. Useful lives are estimated on a realistic basis, reviewed annually and adjusted over the revised remaining economic life where appropriate.

The following useful economic lives should, where necessary, be used as approximations to the levels estimated annually:

Intangible Assets – Software and Software Licences: 3 years

1.8 Inventory

The Council holds an inventory of publications. These have no net realisable value and as a result all related expenditure during the year is charged to the Net Expenditure Reserve.

1.9 Leasing

Rentals payable on leases of property under operating leases are charged to the net expenditure reserve on the basis of costs incurred in the year. Operating lease rentals of equipment are charged to the Net Expenditure Reserve in equal amounts over the term of the lease.

IFRS 16 *Leases* replaces IAS17 *Leases* and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022. The impact of the initial application of IFRS 16 on GTCNI's Annual Accounts is not yet known.

1.10 Provisions

The Council recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the obligation and the amount can be estimated reliably.

1.11 Value added tax

The Council is not registered for VAT. All expenditure and capital purchases in the accounts is stated inclusive of VAT.

1.12 Corporation Tax

HM Revenue & Customs has determined that income in respect of registration fees is regarded as non-trading and thus exempt from Corporate Tax. However, Corporate Tax is chargeable on income from all other sources from 23 November 2017.

1.13 Staff costs

In accordance with IAS 19: Employee Benefits, staff costs (including leave and flexi time accrued) are recorded as an expense as soon as the organisation is obligated to pay them.

1.14 Accounting estimates

No material accounting estimates or judgements were made by the Council in preparing these accounts. In accordance with IAS 8, the Council has reviewed the standards, interpretations and amendments to published standards that became effective during 2019-20 and which are relevant to its operations.

1.15 Financial instruments

Financial assets and financial liabilities are recognised on the Council's statement of financial position when the Council becomes party to the contractual provisions of the instruments on a trade basis. In particular;

- Cash and cash equivalents: Cash and cash equivalents comprise cash at bank and in hand;

- Trade and other receivables: Trade receivables do not carry any interest and are recognised at the lower of their original invoiced value and recoverable amount. Provision is made when there is objective evidence that the asset is impaired. Balances are written off when the probability of recovery is assessed as being remote; and
- Trade and other payables: Trade payables are not interest bearing and are stated at their nominal value.

1.16 Operating segments

GTCNI operates as one unit in making decisions. Therefore segmental reporting is not required for the year.

1.17 IFRS 15 Income from service revenue

There is none for the year.

1.18 IFRS 16 Leases

IFRS 16 has been issued but the Department of Finance has advised that the implementation of IFRS 16 in Central Government has been deferred until 1 April 2022, due to the continuing effects of the COVID-19 pandemic. The Council's current lease of its offices at Albany House expires on 31 March 2022 and future options are being considered.

1.19 Impact of new accounting standards

Management have reviewed new accounting standards that have been issued but are not yet effective. Management considers that these are unlikely to have a significant impact on the accounts in the period of initial application.

2. Retirement Benefit Obligations

2.1 Retirement Benefit Obligations

As explained in the accounting policies, the Council participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC). NILGOSC is a multi-employer defined benefit scheme in which it is possible for an employer to identify its share of the assets and liabilities on a consistent basis. The NILGOSC scheme is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2015 are based on a Career Average Revalued Earnings scheme.

Medical retirement is possible in the event of serious ill-health. In this case pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions.

The Scheme is funded by contributions made by both employees and employers who have been admitted to the Scheme. Employee contribution rates depend on their pensionable remuneration and are set between 5.5% and 10.5% for 2018-19. The employer's contribution rate to the NILGOSC scheme is 19%.

Salaries include gross salaries and performance pay. In accordance with IAS19, the Council accounts for employer pension contributions as a defined benefit scheme. Under IAS19 the Council is required to account for its share of the assets and liabilities in the scheme.

The Council has included a pension charge to the Statement of Comprehensive Net Expenditure (SoCNE) for 2019-20 totalling £232,408.

These results show the latest formal valuation of the fund for the purpose of setting employer's actual contributions as at 31st March 2019. A valuation was carried out by a qualified independent actuary for the purposes of meeting the requirements of IAS19 for these accounts.

Allowance for the McCloud Judgement and GMP Indexation / Equalisation

Retirement Benefits Note 2 includes an estimated allowance for additional liabilities that are now probable arising from the McCloud Judgement and GMP Indexation and Equalisation cases outlined below.

McCloud Judgement

In December 2018 the Court of Appeal ruled in the 'McCloud/Sargeant' judgement that the transitional protection arrangements put in place when the Firefighters' and Judges' pension schemes were reformed were age discriminatory. The Government applied to the Supreme Court for permission to appeal this judgement, however the Supreme Court rejected the request on 27th June 2019. The next stage is for the case to be referred to the Employment Tribunal to agree the remedy, following appropriate consultation.

While the judgement was not in relation to members with Local Government Pension Scheme (NI) benefits it would be reasonable to assume that the Government will now seek remedy for all public sector schemes, including Local Government Pension Scheme (NI).

The additional liability was calculated to be 3.2% of the GTCNI's active liabilities using a salary increase assumption of 1.5% above CPI inflation.

GMP Indexation and Equalisation

Guaranteed Minimum Pension (GMP) is a portion of pension that is payable to members who were contracted out of the State Second Pension and accrued benefits in the scheme between 6 April 1978 and 5 April 1997. The LGPS (NI) was contracted out.

The GMP was intended to approximately replace the State Pension which members were giving up, however the payment terms of GMP are different between men and women, which was a consequence of the state pension itself being unequal at that time.

On 26th October 2018 the High Court ruled in the Lloyds Bank case that equalisation for the effect of unequal GMPs is required.

The estimated liability has been based on a typical Local Government pension fund to quantify the value of fully indexing GMP's in line with CPI inflation for those reaching Second State Pension age after 5 December 2018. This was calculated to be 0.3% of the liabilities / defined benefit obligation.

The major assumptions used by the actuary were:

	31 March 2020 % p.a.	31 March 2019 %p.a.	31 March 2018 % p.a.
Rate of increase in salaries	3.50%	3.70%	3.60%
Rate of increase in pensions	2.00%	2.20%	2.10%
Discount rate	2.30%	2.40%	2.60%
Pension accounts revaluation rate	2.00%	2.20%	2.10%

The Council's share of the assets of the Scheme was:

	Assets at 31 March 2020 £'000	Assets at 31 March 2019 £'000
Equities	1,766	3,211
Property	415	604
Corporate Bonds	522	378
Government Bonds	1,082	890
Cash	195	146
Other	166	167
Fair Value of Assets	4,146	5,396

Statement of Financial Position	2020 £'000	2019 £'000
Fair value of assets	4,146	5,396
Present Value of funded defined benefit obligation	(5,331)	(5,859)
Pension (liability) recognised in the Statement of Financial Position	(1,185)	(463)

Changes to the Present Value of Defined Benefit:

Obligation during the Accounting Period	2020 £'000	2019 £'000
Opening defined benefit obligation	5,859	5,385
Current Service Cost	224	171
Interest expense of defined benefit obligation	139	140
Contributions by participants	37	39
Actuarial losses/(gains) due to changes in financial assumptions	(122)	302
Actuarial (gains)/losses due to demographic assumption	(209)	(225)
Actuarial (gains)/losses due to liability experience	(457)	7
Net benefits paid out	(140)	(65)
Past Service costs	-	105
Closing Defined Benefit Obligation	5,331	5,859

Changes to the fair value of assets during the accounting period	2020 £'000	2019 £'000
Opening Fair Value of Assets	5,396	4,952
Interest income on assets	130	130
Re-measurement (losses)/gains on assets	(1,393)	225
Contributions by the employer	116	115
Contributions by participants	37	39
Net benefits paid out of the fund	(140)	(65)
Closing Fair Value of Employers Assets	4,146	5,396

Charges to the Statement of Comprehensive Net Expenditure (SoCNE):

	2019-20 £'000	2018-19 £'000
Amounts included in Staff Costs		
Operating Charge: Current Service Cost	224	171
Past Service Cost	-	105
Other Finance Costs: Interest on net defined liability	9	10
Pension expense recognised in SoCNE	233	286

Amounts recognised in Other Comprehensive Expenditure (OCE):

	2019-20 £'000	2018-19 £'000
Return on plan assets below/(in excess of) net interest	1,393	(225)
Actuarial (gains)/losses due to changes in financial assumptions	(122)	302
Actuarial (gains) due to demographic assumptions	(209)	(225)
Actuarial (gains)/ losses due to liability experience	(457)	7
Total losses/(gains) recognised in OCE	605	(141)

Amounts for the current and previous accounting periods:

	2019-20 £'000	2018-19 £'000	2017-18 £'000
Fair value of employer assets	4,146	5,396	4,952
Present value of funded defined benefit obligation	5,331	5,859	5,385
(Liability) recognised on the Statement of Financial Position	(1,185)	(463)	(433)
Experience (losses)/gains on assets	(1,393)	225	128
Experience (gains)/losses on liabilities	(457)	7	23
Actuarial losses/(gains) on assets	1,393	(225)	(128)
Actuarial (gains)/ losses on liabilities	(788)	84	19
Actuarial losses/(gains) recognised in OCE	605	(141)	(109)

Sensitivity Analysis

IAS19 valuation results depend critically on the principal assumptions used in the calculations. Each factor is considered in isolation i.e. the “impact on liability” assumes all other factors are constant.

Asset Volatility: The liabilities used for accounting purposes are calculated using a discount rate with reference to corporate yield bonds. If assets underperform, the yield will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which while expected to outperform corporate bonds in the long term creates volatility and risk in the short term in relation to the accounting figures.

Changes in Bond Yield: A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the Fund invests in corporate bonds).

Inflation Risk: the majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

Life Expectancy: The majority of the Fund’s obligations are to provide benefits for the life of the members following retirement, so increases in life expectancy will result in an increase in liabilities.

Exiting employers: Employers which leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further the assets on exit in respect of “orphan liabilities”

may in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. "Orphan liabilities" are currently a small proportion of the overall liabilities in the Fund.

The sensitivity of the principal assumptions used to measure the liabilities as at 31 March 2020 are set out below:

Discount rate assumption

Adjustment to discount rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£M)	5.235	5.432
% change in present value of total obligation	-1.80%	1.90%
Projected service cost (£M)	0.210	0.222
Approximate % change in projected service cost	-2.90%	3.00%

Rate of general increase in salaries

Adjustment to salary increase rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£M)	5.347	5.315
% change in present value of total obligation	0.30%	-0.30%
Projected service cost (£M)	0.216	0.216
Approximate % change in projected service cost	0.00%	0.00%

Rate of increase to pensions in payment and deferred pensions assumption, and rate of reval pension accounts

Adjustment to pensions increase rate	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£m)	5.416	5.240
% change in present value of total obligation	1.60%	-1.70%
Projected service cost (£m)	0.222	0.210
Approximate % change in projected service cost	3.00%	-2.90%

Post retirement mortality assumption

Adjustment to mortality age rating assumption*	-1 year	+1 year
Present value of total obligation (£m)	5.502	5.160
% change in present value of total obligation	3.20%	-3.20%
Projected service cost (£m)	0.224	0.208
Approximate % change in projected service cost	3.80%	-3.80%

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

Comment on Mortality assumptions:

The mortality assumptions are based on actual mortality experience of members within the Fund based on analysis carried out as part of 2019 valuation, and allow for expected future mortality improvements. Sample life expectancies at age 65 resulting from these mortality assumptions are shown below.

	Males	Females
Pensioner member aged 65 at accounting date	21.8 years	25.0 years
Active member aged 45 at accounting date	23.2 years	26.4 years

The expected employer contribution in 2020-21 is £108k

The weighted average duration of the defined benefit obligations is 18.4 years

3. Expenditure

	2019-20 £	2018-19 £
Staff Costs:		
Wages and Salaries	608,910	582,209
Social Security costs	59,067	53,204
Pension costs	232,408	277,647
	900,385	913,060
Other Operating Costs:		
Rent and rates	97,758	70,508
Professional & Consultancy costs	53,743	43,445
Computer costs	52,964	54,984
Legal fees	48,636	516
Service charge and utilities	45,347	43,339
Election	33,586	1,022
Database support and maintenance	18,168	17,340
Substitution costs	16,005	8,598
Maintenance services	12,381	16,417
Travel and subsistence - Council	9,213	8,110
Postage	8,184	7,500
Hospitality and venue hire	7,688	6,466
Printing and stationery	6,592	10,964
Database Licences	6,458	6,488
Stakeholder engagement	4,140	16,233
Fee collection charges	4,039	3,635
Miscellaneous expenses	3,833	3,423
Insurances	3,068	6,485
Training and development	2,711	4,533
Amortisation	2,623	-
Subscriptions	2,198	2,114
Travel and subsistence-Staff	1,640	2,249
Depreciation	650	-
Books & newspapers	407	422
Data Enhancements	-	3,920
	442,032	338,711
Non-Cash Items		
Notional audit fee	11,500	11,500
	11,500	11,500
Total Expenditure	1,353,917	1,263,271

4. Other Income

	2019-20 £	2018-19 £
Interest receivable	17,847	11,129
Total	17,847	11,129

5. Property, plant and equipment

CURRENT YEAR	Office Equipment £	Computer Equipment £	Furniture & Fittings £	Total £
<u>Cost or Valuation</u>				
As at 1 April 2019	72,494	55,266	50,217	177,977
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2020	72,494	55,266	50,217	177,977
<u>Depreciation</u>				
As at 1 April 2019	72,494	53,315	50,217	176,026
Charge for period	-	650	-	650
Disposals	-	-	-	-
As at 31 March 2020	72,494	53,965	50,217	176,676
<u>Net Book Value</u>				
As at 31 March 2019	-	1,951	-	1,951
As at 31 March 2020	-	1,301	-	1,301
<u>Asset Financing</u>				
Owned	-	1,301	-	1,301
Total as at 31 March 2020	-	1,301	-	1,301

The Council holds no third party assets.

PRIOR YEAR	Office Equipment £	Computer Equipment £	Furniture & Fittings £	Total £
<u>Cost or Valuation</u>				
As at 1 April 2018	72,494	53,315	50,217	176,026
Additions	-	1,951	-	1,951
Disposals	-	-	-	-
As at 31 March 2019	72,494	55,266	50,217	177,977
<u>Depreciation</u>				
As at 1 April 2018	72,494	53,315	50,217	176,026
Charge for period	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2019	72,494	53,315	50,217	176,026
<u>Net Book Value</u>				
As at 31 March 2018	-	-	-	-
As at 31 March 2019	-	1,951	-	1,951
<u>Asset Financing</u>				
Owned	-	1,951	-	1,951
Total as at 31 March 2019	-	1,951	-	1,951

The Council holds no third party assets.

6. Intangible Assets

CURRENT YEAR	Website £	Total £
<u>Cost or Valuation</u>		
As at 1 April 2019	-	-
Additions	31,470	31,470
Disposals	-	-
As at 31 March 2020	31,470	31,470
<u>Amortisation</u>		
As at 1 April 2019	-	-
Charge for period	2,623	2,623
Disposals	-	-
As at 31 March 2020	2,623	2,623
<u>Net Book Value</u>		
As at 31 March 2019	-	-
As at 31 March 2020	28,847	28,847
<u>Asset Financing</u>		
Owned	28,847	28,847
Total as at 31 March 2020	28,847	28,847

The Council holds no third party assets.

7. Financial instruments

The Council's core functions are funded from fee income from teachers' registration. The Council has no borrowings and mitigates its exposure to liquidity risk by managing its resources. Its cash balances are held in commercial bank accounts, none of which materially expose the Council to interest rate risk. Assets and liabilities are denominated in sterling. The Council is not materially exposed to currency risk.

8. Trade receivables and other current assets

	2019-20 £	2018-19 £
Amounts Falling due within one year:		
Prepayments	18,617	27,439
Accrued income	12,759	3,090
Total	31,376	30,529

9. Cash and cash equivalents

	2019-20 £	2018-19 £
Balance at 1 April	1,902,763	1,876,842
Net change in cash and cash equivalent balances	18,200	25,921
Balance at 31 March	1,920,963	1,902,763
The following balance at 31 March were held at commercial banks and in cash in hand:	1,920,963	1,902,763

10. Trade payables and other current liabilities

	2019-20 £	2018-19 £
Amounts Falling due within one year:		
Trade payables	15,784	11,070
HMRC payable	7,700	-
Salaries and exit payments	58,270	-
Accruals	63,889	48,003
Total	145,643	59,073

11. Commitments under leases

Total future minimum lease payments under operating leases are as follows:

Obligations under operating leases comprises:

Buildings:	2019-20 £	2018-19 £
Not later than one year	65,286	65,286
Later than one year and not later than five years	65,286	-
Later than five years	-	-
	130,572	65,286

12. Capital Commitments

The Council has contracted, with Miller Technology Ltd, for an interim upgrade solution to the teacher's registration database at a cost of £30,250.

13. Related party transactions

The Council is a non-departmental public body (NDPB) sponsored by the Department of Education (DE) which is regarded as a related party. The Council also entered into a number of immaterial transactions with schools in Northern Ireland for which DE is regarded as the parent.

In addition, the Council had a number of material transactions with other government departments and central government bodies as follows:

- Central Procurement Directorate (CPD)
- Departmental Solicitors Office (DSO)
- Department of Finance (DoF)
- IT Assist

During the year, none of the Council members, members of the key management staff, or other related parties undertook any material transactions with the Council, other than those disclosed in the Remuneration Report. A register of members' interests is available and can be inspected at the Council's office, Albany House, during normal working hours.

14. Events after the reporting period

- All staff continued to work remotely during 2020-21 as a consequence of Covid 19 restrictions;
- The operation of Council continues to give cause for concern and the Council continues to operate under "special measures" from the Department of Education;
- The Minister for Education has initiated a further review of the Council to take place in 2021; and
- A data breach occurred in the later part of 2020-21 that is significant. The matter has been referred to the Information Commissioner's Office and an investigation is ongoing.

Date for authorisation for issue

The Chief Executive Officer authorised these financial statements for issue on 6th July 2021.