Review report

March 2005

audit commission

Corporate Governance Review:

General Teaching Council for England

Contents

Introduction

1   Since 2001 the Audit Commission has inspected the corporate governance of local councils. In 2004 the General Teaching Council for England (GTCE) requested the Audit Commission to review its corporate governance arrangements. The review team agreed with the GTCE an approach adapted from the standard methodology used for corporate governance inspection. The team acknowledges however that it would not be appropriate to make graded judgments using the benchmarks set with English local councils.

2   This report presents the results of the review, which was carried out in November 2004. It took place at a turning point in the GTCE's history. It is in its first year of financial independence. Fieldwork took place only two months after new members from the council's second elections had taken up their places and the council had changed its constitutional arrangements. The team thanks the members of council, staff and stakeholders interviewed for their contributions to this review and other staff of the GTCE for their support and help.

3   The conclusions are based on the Audit Commission's current key lines of enquiry, and include an assessment of the General Teaching Council's:

- ◆   structures and processes;

- ◆   stakeholder focus and impact;

- ◆   internal controls;

- ◆   leadership, culture and standards of conduct;

- ◆   capacity to drive improvement.

4   The main elements of the assessment were:

- ◆   a review of corporate documents provided by the council;

- ◆   interviews with council members, managers and external stakeholders, some conducted by telephone;

- ◆   focus groups with front-line staff in London and Birmingham, with policy advisers and council members;

- ◆   a survey of staff, member and stakeholder views. Questionnaires were sent out by the Audit Commission to a sample of the council's members, staff and stakeholders, including teachers working on projects with the GTCE. Return rates were: Members, 6 out of 14; staff, 9 out of 9; stakeholders, 13 out of 43;

- ◆   MORI surveys of teachers' views of the GTCE commissioned by the GTCE and provided to the team;

- ◆   comparisons using published information from the websites of similar bodies.

Summary of corporate governance review judgements

Synopsis: The General Teaching Council for England (GTCE) is a young organisation that has needed to face some major challenges in its early years. It has a mixed remit to register and regulate teachers and to provide advice to the Secretary of State and others. It is well-managed internally and is making steady progress with its regulatory and registration processes. There were inherent problems with the way the council was originally constituted. Some of these it has successfully mitigated, but the council needs now to consider whether the current balance of representation on the council is appropriate and make recommendations for legislative change where necessary. The major areas for improvement are in managing the council's external relations and impact. The council has decided that its advice should be based on evidence, research and policy work as well as drawing on the range of interests represented on the 64-strong council itself. Where it works directly with teachers and Local Education Authorities (LEAs) the GTCE's policy development work is recognised and valued. However the council is aware that it has not yet made the impact it aspires to with key stakeholders, including government and the majority of the teaching workforce. Completion of work on the new IT system for the register, due in 2005, should help it to provide a more responsive service and contribute to improving external perceptions. To make further progress with stakeholders the council needs to review its way of working with others and the positioning and focus of its research and policy work, to ensure its contribution is widely understood and valued and that the public interest remit is sufficiently emphasised.

5   The GTCE came into being in September 2000, at the end of a period in which teachers had experienced a long series of education reforms by successive governments. Despite the longstanding wish of the profession for self-regulation to promote high professional standards, the creation of the council was not accompanied by a reduction in external regulation. Many teachers resented compulsory registration, some initially refusing to pay the fee. The government, having already made legislative provision for the council to collect the fee through deduction at source by employers, provided for the fee to be included within the salary of teachers. The council initially adopted a stance that emphasised its support for teachers and teaching rather than its regulatory public interest role. Although it has modified this stance to emphasise the accountability of teachers it continues to give its role of supporting teaching more profile than the work of building its register and regulatory function.

6   The council has only a small proportion of appointees with a lay or pupil perspective and does not benefit from the extent of high-level governance experience from industry and public life that give authority and access to other education public bodies. The council was set up by the then Department for Education and Employment and is the largest of the GTCs in the UK, with 64 members. As well as 25 elected teachers and headteachers, some of whom stand on a union slate, there are 9 union appointments. This is unique among UK GTCs. The council should reconsider the size and balance of its own representation before its next elections. It will need to do this early as a change requires legislation.

7   Early decision-making was difficult. Members were too inexperienced, and perhaps too individualistic, to create an executive committee. Delegations were too limited for efficient working. New arrangements in September 2004 reduce the number of committees and increase delegations. This should help considerably but is not an adequate substitute for a proper executive arrangement to bring the work of

committees together, within a policy framework set by the council. This could be created within the current constitution by making the annual meeting of committee chairs into a more frequent, formal meeting. The council has so far resisted a recommendation to do this, but it needs to reconsider its stance in the interests of effective working.

8 The council's legal status prevents it from borrowing, unlike the older GTC for Scotland (GTCS). This is unhelpful in an organisation that is dependent on significant IT investment, preventing the spread of costs across the life of systems. The council has had to amass reserves in order to afford a modern ICT system capable of supporting the registration and enquiry functions effectively.

9 Internally the organisation is generally well-managed. There is an open and enthusiastic culture and a strong improvement ethos. Council members are well-supported and relations between members and staff are good. Team-work is fostered and internal communications are generally effective. Staff know how they should be, and are, contributing to their part of the organisation. Learning is shared within each of the organisation's two office centres, although less effectively between them. Major recent office moves have been achieved smoothly. Internal controls and risk management are particular strengths. The council takes effective steps to seek external views. Areas for managerial improvement are minor and in most cases already under review.

10 The council is now, it estimates, within a few percent of achieving accuracy in its register of teachers. It has taken some time to achieve this. The task of checking and correcting basic data on teachers' identities for the register was challenging, with inaccurate inherited data from the DfES and ongoing difficulties in reconciling with Teachers Pension Agency (TPA) and employers' records. The council has had to work hard, with a lot of manual correction, to get as close to accuracy as it now is. Accuracy is important in order to give employers assurance about the true identity and disciplinary record of teachers and to give robust protection for pupils. It is also an essential requirement for authority and credibility in the council's advisory role and efficiency in its dealings with individual teachers.

11 Progress in achieving robust fee-paying arrangements in the complex payment scenario has been hard-won but is nearing success. Direct payments by individual teachers are the GTCE's preferred method of payment. It believes this to be the most cost effective method as well as underlining teachers' personal responsibility to pay their registration fee. Direct payments are an increasing proportion of the whole, but this gives a difficult, mixed pattern for employers who have to deduct fees for the remainder from salary. There are over 5,000 employers in the maintained sector in England, including LEAs, foundation schools and supply agencies, so working with them to get it right is a considerable task for the council. The data from employers on deductions at source have been variable and occasionally startlingly inaccurate. The council has worked directly with selected LEAs having difficulties, achieving marked improvements. It is now consolidating resources for this work, involving a number of senior staff, but the work still forms a small part of its activity in view of its fundamental importance. The council is about to implement a web-enabled ICT system for the register that will allow teachers to check their own records, which should help with accuracy as well as exposing the council to challenge.

12 Project management for the implementation of the new IT system, "Project Evolve", planned for March 2005, is good with a sound procurement process and a

productive working partnership with a commercial provider. Consultation for and control of the specification has been good. Risk management, implementation planning and skills transfer are all well-managed, although the implementation process is, inevitably, not risk-free. There is more work to do in developing a comprehensive ICT strategy beyond this system to cover all of the council's activity, and also to strengthen internal management of IT for the implementation phase.

13 The council has built a secure base for its disciplinary processes that draws increasing respect from peer organisations. It has drawn on the experience of regulatory organisations for other professions. Its Code of Values and Professional Practice now forms part of the standards for Qualified Teacher Status (QTS) and for completion of teacher induction. It has made strides in assuring consistency and achieving openness in disciplinary processes, including a "baseline" Code of Conduct which is a useful standard for disciplinary hearings. The council is, sensibly, consulting on the use of trained disciplinary panel members who are not council members to provide for projected increase in hearings that will result from employers' growing familiarity with referral requirements. Training for panel members is thorough and well-regarded. Legal advice to panels is co-ordinated in-house. The council has earned respect from most observers and can afford to be more emphatic and unapologetic about its regulatory role, in the interest of the majority of good and dedicated teachers as well as the public. The GTCE should be, and be seen to be, a robust organisation with clarity and rigour in safeguarding standards of the teaching profession.

14 The council has expanded its communications activity and is starting to see benefits. There is more work planned, including to give senior members of the council more profile. It has made a start in writing its publications in plainer English and making its strap-lines more consistent but there is more to do in giving clear, consistent and memorable messages about the council's core remit. The council needs to develop an access strategy to cover all channels of communication and stakeholder groups. The website needs improvement in its design, content, topicality and, to match current expectations, to provide web-enabled access to the register and registration processes. The council is aware of this but is awaiting its new IT system, which will enable web-access, before starting work on the content.

15 Stakeholder perceptions and relationships are the main challenge and area for improvement for the council. The views of stakeholders relate both to the length of time taken to get the register working smoothly and to a lack of understanding of and support for the council's interpretation of its policy and advice remit. Despite the positive views of teachers and LEAs who have worked directly with the GTCE, the majority of teachers are neutral or negative in their views. There is a view that the GTCE is duplicating policy-development and research work that is now provided on a larger scale through the DfES and related agencies. Public criticism on this point by one union with a number of members on the GTCE is giving an impression of internal division that is harming the council's reputation. Some of the council's public description of its research and policy-development work lacks coherence and is over-detailed by comparison with its accounts of its registration and regulatory functions, contributing to these external perceptions. Recent documentation is better, but the council needs to speak more clearly about what it is doing, why it is doing it, and what it will achieve.

16 As well as clarifying its message the council needs to assure itself that its policy development and research work is well-tailored to the current need. It has chosen to interpret its advice remit broadly, to encompass improvement of and for the

teaching profession generally, including developing policy on continuing professional development (CPD), entry to the profession, research-informed professional practice, e-learning, teacher retention, assessment, tackling inequality, new professional relationships, professional standards and working directly with teachers. It aims to take a unique position in seeking out teachers' and stakeholders views and marshalling evaluation to inform its policy advice. Teachers and LEAs who have worked with the GTCE attest to the quality of its work. It provides contributions to the work of lead agencies including the Teacher Training Agency (TTA) and Department for Education and Skills (DfES). However, since the council's early policy decisions the national policy scene has changed to be more sympathetic to the profession, with the DfES now having wide-ranging mechanisms for direct consultation and the TTA a national remit for developing a CPD framework. This is an appropriate juncture for review, to ensure the council's work is focused on those areas where it can best contribute.

17 The council's relationship with government is recognised broadly as being less productive than it should be. The maintenance of high standards in the teaching profession is too important for the major regulatory body not to be heard as a significant voice. The DfES might do more when it is working with non-civil servants such as the staff and members of the GTCE to help them understand its expectations and working practices. The GTCE, in turn, needs to do more to understand how it might engage better when it is offering advice to government. The council needs to ensure that when it speaks in those areas where it has a unique viewpoint, its advice is recognised and acknowledged as authoritative, clear and relevant.

18 There are issues for the future. The council will need to respond to the implications of the report of Dame Janet Smith's enquiry into the crimes of Harold Shipman (referred to subsequently as the Shipman Enquiry) which has raised questions about the legitimacy of any profession dominating its own regulation. The Clementi report into the regulation of the legal profession and the Bichard report into the employment of Ian Huntley are also relevant.

19 In responding, the council needs to reconsider the balance of lay to professional interests in all of its activity. In particular it should consider:

  ◆ the balance within the council itself;

  ◆ the balance within investigation and disciplinary panels;

  ◆ the need for greater separation between the council's governance and its disciplinary hearings.

20 Information-sharing between regulatory agencies about individuals working with children is now recognised as not as effective as it needs to be. The protection of pupils and employers from the small minority of incompetent, criminal or abusive professionals requires identity and disciplinary records to be shared as broadly as possible, within the boundaries the Data Protection Act.

21 Coverage of professionals working with children is also not as comprehensive as the children's workforce approach demands. Particular current examples include home tuition, musical instrument teaching and outdoor activity, some of the most vulnerable situations for pupils and teachers, which the GTCE's regulation remit currently excludes. The integration of children's services and proposals for 14-19

education will mean a range of education and childcare professionals working together. It is important for information to be shared across professional boundaries. Teachers in further education (FE) colleges, Academies and the independent sector are currently unregulated, which will lead to potential gaps in the regulation of mixed-sector settings for 14-19 year-old pupils. The regulation of cases involving child protection in England and Wales has been retained by the DfES, unlike in Scotland where they are conducted by the GTCS, which increases the number of institutional boundaries to be surmounted.

22 The GTCE should continue to build discussions with other professional regulators and government about how registration and information-sharing can best be joined and extended to promote high standards of service to children and parents, to extend the safeguards that those working with children and young people need and to support the new legislative framework for childrens' services.

Recommendations

23 The council should start work now to review the representation on the council for its next electoral term. It should:

- consider whether to recommend a reduction in the size of the council;

- consider whether it should seek a change in the representation on the council for appointed union nominees;

- consider whether there is scope for dividing up representation further to ensure a good match to the profession, for example by making places available specifically for early years and post-16 teachers;

- consider stronger representation from parents, pupils, LEAs and lay members, and how it might secure membership from more people with high-level governance experience in the public and private sectors;

- institute regular, formal meetings of committee chairs, with the chair and vice chair of council committees to ensure that committee work is coordinated and that cross-committee issues are progressed within the policy framework set by the council;

24 The council should continue to explore with the DfES ways to allow sufficient borrowing to fulfill its IT needs effectively into the future, perhaps using a similar mechanism to that of the GTCS.

25 The council should maintain its momentum in improving the accuracy of the register. It should aim to be in a position of sufficient confidence over payment records to de-register all those who have not paid and are not required to register, and to require employers to deduct a fee from non-payers who are required to register, according to a defined protocol, during 2005-06, following the implementation of Project Evolve. To achieve this the council should:

- consider increasing the establishment for its work with employers to improve registration and fee-collection;

- develop performance standards for the accuracy of the register, checked by regular sampling, within the current year;

- review detailed arrangements for quality-assurance and control of the work on maintaining the register in the light of its monitoring to ensure standards are met.

26 The council should review IT strategy and support arrangements to ensure comprehensive and consistent coverage of needs across the organisation. To achieve this, the council should:

- develop a comprehensive and regularly reviewed IT strategy covering all of its needs not only those covered by Project Evolve, with 'user' input captured through participation in a GTCE IT strategy consultative group;

- appoint a dedicated management-team-level lead on IT and Business Integration to lead on implementation of the Evolve programme and develop a comprehensive strategy, building on the work done to date, to ensure that the GTCE maximises the potential of its investment in IT;

- review IT support arrangements to ensure coverage for London staff, specialist applications and remote workers, including members of the council. Ensure that a mechanism is put in place to prioritise IT support response according to business risk. These requirements should be reflected in SLAs for new support contracts from September 2005;

- review the establishment of in-house IT staff, to ensure there is adequate strategic capacity and co-ordination for support;

27 The council should continue to develop the regulatory function. To this end it should

- consider increasing the resources for its work with employers in explaining the circumstances in which teachers subject to disciplinary or capability proceedings should be referred;

- Provide for the expected increase of disciplinary work by using trained non-council-members on panels,

- consider and plan for differentiating within the professional standards for different types of teaching roles;

28 The council should develop a clear and effective communications strategy covering all channels of communication and stakeholder groups. To achieve this it should:

- develop a clear access strategy for all the channels through which the public, teachers and other stakeholders can access the council;

- make more use of the chair, vice-chair and committee chairs, as well as the chief executive, to represent agreed positions, and make media comment;

- urgently review and update its website to give clearer messages about what it is for and what it is aiming to achieve, ensuring that all material is kept up-to-date and to including key documents such as its constitution and race equality scheme. The web references to GTCE on

other websites and portals such as DfES should also be closely monitored and actively updated;

29 Review and clarify the direction and purpose of the council's activity in the light of recent changes in the national education policy, stakeholder and regulatory landscape. The review should:

- ensure it maintains an appropriate balance between its registration, regulation and advice activities;

- refine and clarify its policy intentions, including where it is intending its work to be a catalyst for improved practice by others and, if it has longer term delivery objectives, what these are and how they are to be resourced; the Council needs to seek clarification about future funding of this work;

- develop strategic partnerships with other bodies to fulfil its role in promoting higher standards of teaching;

- initiate discussion with government to establish a more strategic and focused approach to the role of advising the Secretary of State and others on professional issues, including recruitment, initial training, induction, professional development and conduct.;

- implement the recommendation of its internal auditor to create an annual corporate business plan that, in addition to summarizing the individual work-plans of services, addresses the balance, connection and support for its activity and provides a basis for corporate monitoring.

30 The council should further develop a planned and managed approach to improving its impact and relationships with stakeholders. To this end the council should:

- plan its approach and invigorate work with major stakeholders, particularly the teachers' unions and government, to understand their perspective and expectations. Seek to achieve a consensus and work more collaboratively in pursuit of the council's advisory and public interest remits;

- emphasise the relationship of its work to its unique roles of maintaining the register of qualified teachers and regulating the profession in the public interest;

- continue to build up its work with employers in promoting referrals and explaining the benefits to them of a regulated profession.

31 For the future, consider the findings of the Shipman Enquiry. Reconsider the balance of lay to professional interests in all of its activity. In particular:

- the balance within the council itself;

- the balance within investigation and disciplinary panels;

- the need for greater separation between the council's governance and its disciplinary hearings.

32 In starting to tackle the future needs of information-sharing to ensure effective regulation including within an integrated childrens' workforce, the council should:

- give greater priority and profile to the council's policy for extending and differentiating registration to all teachers;

- strengthen contact with other children's services professional bodies;

- explore the potential to broaden the application of its ground-breaking work on its code of professional conduct and practice to the regulation of other education and childcare workers, whether or not the GTCE is the main agency given this responsibility;

- pursue the informal dialogue begun with the DfES about how best to extend regulation to include all teachers in the maintained sector, and how best to ensure connection and consistency in processes for regulating child protection cases;

- continue to work closely with the other UK GTCs, to support reliable cross-boundary detection of teachers who have been subject to conduct or capability proceedings, or who may be impersonators, and

- promote the "nationally self-regulating profession" message to the profession, other stakeholders and the public.

Context

The council's remit

33 The General Teaching Council for England (GTCE) was established in September 2000 by the 1998 Teaching and Higher Education Act. The principal functions defined in the Act are to contribute to improving the standards of teaching and the quality of learning, and to maintain and improve standards of professional conduct amongst teachers, in the interests of the public.

34 The GTCE is an independent, self regulatory body constituted as a public corporation. Since April 2004 it has been funded independently of government through the contributions of registered teachers. The teachers' registration fee is currently £30, and eligible teachers receive £33 from the national pay scheme to cover the registration fee before tax.

35 the GTCE has three main functions:

- ◆ to maintain a database of qualified teachers and a register of teachers employed in maintained schools in England;

- ◆ to regulate the teaching profession;

- ◆ to provide advice to the Sectretary of State on a range of issues affecting standards of teaching and learning.

36 The GTCE started to create its register of teachers in June 2001. At 31st March 2004 there were 555,000 registered teachers in England, including 26,000 who had registered voluntarily, many from independent schools where registration in not compulsory. Maintaining the register is a sizeable task. Approximately 60,000 teachers leave or join the profession each year.

37 The GTCE has the power to discipline teachers for unacceptable professional conduct or serious professional incompetence, or where there has been a recent criminal conviction. By 31st October 2004 783 referrals to the GTCE had been received, 601 of which had been considered by the Investigating Committee of the council. One hundred and nineteen of these were referred for disciplinary hearing, of which 83 had at that point been concluded. The council also awards qualified teacher status (QTS) and hears appeals from new teachers who have been judged to fail their probationary period.

38 In pursuing its advisory role the GTCE has provided advice to the Secretary of State on a range of issues including: recruitment and retention, assessment, entry to teaching, CPD, teachers' accountability and professional standards. It has pursued a number of service development strategies including two professional networks, the "Connect" network for continuing professional development coordinators in schools and "Achieve" for promoting race equality. It is piloting the Teacher Learning Academy, a new model for professional recognition for CPD, and is working with the TTA on securing recognition for it in the new national framework for CPD. It is working with 20 LEAs locally on models for CPD policy and practice. It has developed a framework to support teacher-to-teacher learning.

The council

39 The GTCE has 64 members. Twenty five are elected by the profession: 11 primary, 11 secondary and one special school teacher and two head teachers, one primary and one secondary. The teaching unions nominate 9 members. Other organisations nominate 17 members. These organisations include representatives of higher and further education, employers, the independent sector, governors, equalities organisations and children. The Secretary of State for Education appoints 13 members through the Nolan public appointments process in order to ensure balance on the council. Current appointments include including teachers, an education administrator, financial and media specialists and a parent. There are elections every 4 years and appointments run for 5 years.

40 The council changed its committee structure following its first elections in September 2004. It now has four committees, for Registration & Regulation, Policy & Research, Resources & Planning and Audit, Monitoring & Review. It also has finance and remuneration sub-committees of Resources & Planning and a number of policy groups working to Policy & Research.

41 GTCE employs around 140 staff, working out of two offices. The chief executive's office and communications and policy functions, totalling about 50 staff, are based in central London. The registration, regulatory, teacher enquiry, finance and administrative functions are located in central Birmingham.

42 The council's budget in 2004-05 is £14.79m, funded from £13.35m fees of teachers, £0.70m from specific grants for granting QTS and for educational projects, £0.25m interest on investments and £0.49m contribution from reserves. At the start of the financial the Council they had reserves of £8.54m, more than half earmarked for its major ICT implementation, Project Evolve, due to go live in March 2005.

Structures and Processes

43 There is a balance of strengths and areas for improvement in the council's structures and processes. There is scope for further improvement in the council's representation and its decision-making structures, including corporate mechanisms to determine and review the scope and balance of its activities. Internal structures and processes have developed well and securely although sometimes rather slowly.

Are the council's governance and management structures well-constituted to fulfil its functions and ensure good governance?

44 The council was hampered in its first electoral term by a problematic constitution that made crisp, workable, member-led decision-making difficult. It has recently taken the opportunity of the end of its first electoral term in 2004 to make structural changes to its committees and scheme of delegation that promise significant improvement. It is too soon to evaluate results, but early signs are promising. It could now consider recommending further changes to its constitution to take effect in 2008.

45 A council of 64 individual members, with no party machines, no executive committee and low officer delegations inevitably found it difficult to be swift and responsive in its decision-making. The original council rejected in its early days a recommendation to empower an executive committee in the way that other GTCs in the UK and most similar organisations do. It operated through six committees that reported back to the full council for most decisions. The council meets quarterly, so it could take some months to get decisions taken.

46 There have been recent improvements. In June 2004 in preparation for the start of its second electoral term the council agreed to increase delegations from the council to a smaller number of committees, four instead of six, and at the same time increase financial and operational delegations to officers. This arrangement has been in place since September 2004.

47 The new committees form what promises to be a more workable arrangement. In effect three of them, Regulation & Registration, Policy & Research and Resources & Planning, now have day-to-day executive powers in the council's main areas of responsibility. The fourth committee, Audit, Monitoring & Review, has a scrutiny and internal control function that is broader, in line with modern expectations of an effective scrutiny function, than its predecessor. The Policy and Research Committee has a number of informal member policy-groups reporting to it with the laudable intention of increasing the engagement of, and using the expertise of, members in leading educational policy developments. There are finance and remuneration sub-committees to the Resources and Planning Committee.

48 Alongside this change the council has further strengthened its governance processes by updating and consolidating its previously separate standing orders, delegations and codes of conduct into a single up-to-date constitution, the "*GTC Standing Orders and Corporate Governance Scheme 2004*" revised to encompass the new committee arrangements and delegations. It incorporates revisions to financial regulations to meet the recommendations of the council's internal auditor.

The document includes a concise and clearly-written summary of the standing orders for meetings, constitution of investigatory and disciplinary arrangements, standing orders on contracts, financial regulations, delegations to committees and to officers and codes of conduct for members and staff.

49 The council does not benefit from a body of high-level governance experience among its membership, and the style of council meetings has perhaps suffered from this. Meetings of the council although ordered and well-tempered, are of an adversarial character. Resolutions, amendments and votes are a regular feature. It has not been possible so far so far to adopt a more consensual mode of operation, which has an impact on its ability to set a clear and unambiguous policy direction. The new committee system may help by allowing more of the policy formulation and development to be debated in private session. There is, though, the risk that this may increase effectiveness at the expense of transparency. This review was too early to assess the success of the new arrangements in operation but members and managers are optimistic.

50 There was still not sufficient trust amongst members in 2004 to agree to an overarching executive committee to progress the council's business within its agreed policy framework and budget. It rejected a proposal for regular meetings of its committee chairs with the Chair and Vice-Chair of Council for this purpose. It needs to reconsider this position in order to allow responsive governance processes that can maintain an overview of the balance of the council's activity. Committee chairs already meet informally once a year to advise upon priorities for the future budget that underpins the corporate plan. More regular meetings could co-ordinate and monitor progress of cross-committee work between council meetings and would offer the opportunity to be more efficient and effective in furthering the council's business, particularly bringing together that which has a cross-committee element. Such a group could prevent committees operating in isolation from each other's work and help to develop organisational strategy.

51 The council, with 64 members, is large, and by far the greatest representation is that of teachers. While it is right and proper for there to be a prominent level of teacher representation, this is unusually large and does not fully reflect the profile of the teaching profession as a whole. The teaching unions have an unusually powerful voice in the GTCE compared with other UK GTCs owing to the significant additional number of places on the council (nine) for direct union appointees, as well as the proportion of elected teachers who stand for election representing predominantly a union interest. There are 25 elected teacher positions, including two headteachers and a number of teachers appointed by the secretary of state. Some of those elected hold local or national union offices that take up a large part of their time, rather than being full-time classroom practitioners. Some unions mandate their GTCE members to represent particular policies. Strong, vocal and divided union representation hampers external recognition of the council as an independent organisation that has gravitas and a serious contribution to make to the national educational policy debate that is different from the teachers' unions.

52 The council has, sensibly, decided to improve continuity of leadership by extending the terms of the chair and vice-chair to two years. The input from the chair is 100 days and the vice-chair 50 days, so both roles require considerable commitment. Council members are expected to make 20 days available. The use of council member time is a key accountability and issue for strategic decision. There are increasing demands from regulatory work and also a need for members to be more involved with advocacy for and representation of the council. This requires careful

consideration and planning. The council's move to consult on the use of trained external appointees for investigation committees and disciplinary panels is a rational response to existing time pressure and expected increases of workload. It has the added merit of a greater separation between regularity and governance roles. It requires no change to the constitution which specifies a minimum of one council member on each committee and panel. Nonetheless it has attracted vocal opposition from one union.

53 Managerial structures are well-matched to the council's accountabilities, in fact better with the new committees than the former ones. They are capable of supporting its corporate, cross-committee aims through the operation of the senior management team (SMT) as well as ensuring professional service leadership. Below SMT services have tended to operate in isolation from each other but there are increasing developments to address this and a recognition that there is scope for more processes to promote and enable cross-service working.

Are the council's governance and management processes working effectively to ensure good governance and effective corporate management?

Governance

54 Policy-development is not yet fully member-led but the new committee-structure should help to engage members more actively in the working-up of policy options. All committees and policy groups are supported by managers and staff of the council. The new policy working groups that report to the Policy & Research Committee should help further by engaging members in the development of aspects of the council's educational policy and advice but it was too early at the time of this review for their success to be evaluated. These groups are confined to the council's outward-looking educational policy rather than for its own governance and activity. The council could consider creating policy working groups of the Resources & Planning Committee for this latter purpose. An ad hoc "Governance Group" has been used in the past and similar task-and-finish approach could be adopted for key policy matters in the future.

55 There is a good balance between council members' policy-making, scrutiny, advocacy and regulatory activity with all members either on a committee or a policy group, and all taking part in regulatory activity.

56 . The council lacks effective arrangements within its governance processes to keep the scope and balance of its various activities under review and to promote informed decision-making. The council has resisted a recommendation by its auditor for a whole-organisation business plan that would make a connection between the high-level strategic plan and the bottom-up committee-led service plans. It needs to reconsider this decision. The lack of such a plan results in undue opacity about how relative priorities between committees are determined, and allows resource allocation decisions to become obscured by the detail of service committee budgets rather than these key decisions being clear and explicit for members. The lack of an executive committee is a further structural barrier to effective corporate working.

57 The new committee arrangements offer the potential for a much stronger scrutiny role and a service review programme was instigated in 2004/05 to report to the March 2005 meeting. A further review programme will be adopted for 2005/06. Scrutiny had previously been understood narrowly as applying to the formal internal controls of the organisation. It has been effectively exercised for this purpose and the strength of the council's internal controls owe much to this. The council has been particularly open to challenge and advice from its auditors and has responded actively. However, other than through the budget process, there has been little exercise by members of their core governance tasks of determining the scope of the council's activities and the standards and outcomes to be achieved and then scrutinising outcomes against those intentions. The remit of the new Audit, Monitoring & Review Committee is broad enough to remedy this, including the monitoring of progress and implementation of the council's policies and should provide a good mechanism for full scrutiny of the council's activity. The committee needs now to ensure that the executive committees set clear targets, with resourced plans that have key progress milestones and outcomes that can be measured. It should then monitor outcomes and take action where necessary to hold the executive committees to account.

58 The council has moved during the period of this review to remedy a gap in its arrangements around deputising powers and a deputising arrangement is now in place.

59 Member structures and individual members are generally well-supported although there is scope for better use of IT for information-sharing and distribution and a need for better IT support for remote working by members.

60 The division of staff between London and Birmingham hampers the welding of a single organisation as described paragraph 144 which discusses organisational culture. The justification for a continued presence in London was made in 2003 prior to the recent relocation projects and a ten year commitment has been made to the presence in London. The council should keep this split under strategic review.

Registration

61 The task in setting up and cleaning the inherited data on the register has proved challenging and has taken four years to bring to fruition, a considerable time for the core process of a new organisation and much longer than the process took in Wales, where the GTC was set up at the same time although within a markedly less complex context. However the council is now close to achieving accuracy. A database of qualified teachers was provided initially by the DfES but there were difficulties with the quality of data and continuing difficulties in reconciling data from the teachers pension agency (TPA). The new register required information on teachers' employment as well as the existing records of teachers with qualified teacher status (QTS). In England, compared to Wales, the number of registered teachers, the existence of foundation schools, schools funded directly from the government and many supply agencies made the task much more substantial and complex. There are also greater numbers of initial teacher training institutions from which to draw data on teachers entering the profession, and more teachers being recruited from overseas. The GTCE had therefore a proportionately larger task than the GTCW, which was compounded in the short term by the council's decision to opt for direct debit payments rather than remaining content with deductions from source as had the GTCW.

62 The council decided to encourage direct debit payments from individual teachers, to emphasise the individual nature of the professional engagement and the parallel with other professional standards associations and also taking the view that it provides better value-for-money. However this has added to the complexity in the short term although the council expects it to provide clear benefits and economy in the longer term with over 50 per cent of fees expected to be paid directly by teachers in 2005/06. The council has recently put effort into visiting LEAs, improving the quality of the data they send. A side effect has been to improve the understanding by employers of the need to refer cases of teachers resigning during capability and conduct proceedings to the GTCE with a consequent increase in regulatory work, and more importantly an improvement in its ability to alert prospective employers, a key benefit of the national registration system.

63 Dealing actively and well with enquiries from teachers and employers is hampered by the lack of any customer handling software or the ability to generate letters or e-mails automatically. There is currently no on-line access to any part of the register for teachers, employers or the public. This function is effectively managed and staff are well-motivated, but the impression given to enquirers is limited by the quality of data and systems. This is area that the new IT investment is primarily designed to improve, and it will have spin-offs in most of the council's activities, including fee collection.

Regulation

64 The progress in developing the regime from a standing start in 2002, and the clarity and openness of process are regarded by external stakeholders as a strength. The regulatory activity is still in its early days, having started later than the council itself, but is developing well. At the time of the review, there had been around 800 referrals, three quarters of which had been considered by the Investigating Committee. Around 20% led to a disciplinary hearing, and of these 83 had been concluded. Despite critical media attention alleging leniency, and negative feedback from teachers about the extent of press coverage of cases, the council is considered by its peers to be a leader in this field and by external stakeholder organisations to be showing a credible consistency and firmness. Member training is high-quality and well-regarded.

65 The potential of the regulatory and registration work to improve protection for employers and pupils against teachers who do not meet professional standards is under-played by the council in its communications. Before it existed it was common for teachers who were subject to competency or disciplinary procedures to escape any record of censure by resigning from their job before the processes were concluded. They were then free to apply for a post with another employer with a clean record. All employers of registered teachers are now required to inform the GTC when this happens and the GTC investigates to ensure that disciplinary or capability concerns are fully considered. The GTCE has recently begun to show potential for prevention of impersonation of teachers by unqualified people, which is another important and successful but under-promoted benefit of its work.

66 Transfers of records between the UK GTCs are becoming more effective and are another key benefit in protecting employers from candidates with an undisclosed past history of unprofessional conduct. There are differences in the registration requirements and in the regulatory roles in Scotland and Northern Ireland, and differences in the level of accuracy of the database with Wales, so transfers are handled manually. The GTCs hold "five nations" meetings, including the GTC for

the Republic of Ireland which is not yet operational, to share experience. To get the most benefit of the potential protection that registration brings it will be important to share regulatory data. If the regulatory process is to have value its sanctions have to be able to bite across borders. The Bichard Enquiry will be a relevant consideration for all agencies dealing with the employment records of childcare professionals.

67   In England and Wales child protection cases are handled by the DfES (on behalf of the National Assembly of Wales for Welsh cases), although the Scottish GTC handles these itself. There would be some advantage, when the GTCE's processes are well-enough established, in reconsidering this split, developing appropriate specific procedures. The split of responsibilities is unhelpful for the GTCE's regulatory role and confusing for the public and other stakeholders. Additionally there is a difference in the transparency of process. The number of cases determined by the DfES is not made public, and processes are less transparent than for cases heard by the GTCE. There are implications for professional regulators of all professions in the Shipman Enquiry report and the Clementi report into the legal profession.

Policy and Research

68   The council has developed a number of approaches with the intention of acting as a catalyst for the development of national policy and practice in improving standards of teaching and the quality of learning. The council aims to take a unique position in seeking out teachers' and stakeholders' views and marshalling research and evidence to inform its policy advice to government. Individual projects are relatively small-scale but have been successful and have provided input to various strands of national education development. Stakeholders comment that the GTCE has not always received the credit it deserves for the influence that some of this work has had on national policy development.

69   Partnership work with schools and LEAs on a structured approach to CPD is directly funded by DfES as a pilot project. It has been positively received by those involved. The Teacher Learning Academy is now at a turning point. The pilots have involved 30 LEAs and over 500 teachers are enrolled in the TLA. A structural partnership with the NCSL has been established and has begun with the next cohorts of the NCSL programme "Leading from the Middle" being offered enrolment for professional recognition. The council is developing ideas with the TTA and others on how the scheme fits into the TTA-led national framework of professional development for teachers. A full national roll-out would have resource, policy and management implications, which the organisation is beginning to consider, but the eventual extent of its work will depend upon buy-in and access to funding. The project has significant management implications if extended nationally and managed in-house by the GTCE.

70   Other policy initiatives including further work on continuing professional development (CPD), entry to the profession, research-informed professional practice, e-learning, teacher retention, direct work with teachers, assessment, tackling inequality, new professional relationships and professional standards, and web-enabled discussion fora. Individually these projects are well-regarded by those involved. This review has not had the scope to evaluate this work directly and the council itself has not reviewed its progress formally in terms of outcomes against policy and research aims or the balance of this work against its regulatory

and registration work. An internal service review of one area of advisory work is set to illuminate generalisable lessons for the provision of advice.

Are the council's corporate and service planning processes consistent and fit-for-purpose?

71 Arrangements for the co-ordination of planning and monitoring are sound but with responsibility vested mainly with one post-holder, albeit with administrative and Head of Service support, there could be a risk to continuity. There is a corporate planning manager dedicated to working with heads of service and managers to ensure consistency, to bring resource plans and departmental operational plans together and to provide monitoring information to senior managers and the council. However, a formal overarching corporate business plan is lacking. The cross-departmental negotiation within the co-ordination role is in practice substituting for such a plan. The creation of a formal plan as a part of this manager's role would offer greater clarity, transparency and structure without much additional work, because the work is already being done.

72 The operational planning cycle within committee remits is well-managed and now well established. The council's business operates on the financial year, but council itself and its committees programme their work on the education year. Nonetheless financial and operational plans are brought together effectively and there is a consistent approach and smooth timetable that arrives at a complete suite of plans and processes within each operational area.

73 Published corporate plans have not been strong. Plans are for three years in outline with specific plans only for the first year. Early plans were aspirational and vague, emphasising the GTCE's role as a voice for the profession. There was a lack of clear connection between the council's limited resources and its high aspirations. There was less emphasis on the registration and regulatory role than its policy and research role. Although the current plan for 2004-2007 is an improvement it still suffers from some of these shortcomings. Targets are not as SMART (specific, measurable, achievable, realistic and time-bound) as they need to be and are not sufficiently focused on intended outcomes. There is an imbalance between the volume of text about different strands of work, with greater detail on policy and research activities than on major work strands on the development of the register and regulatory regime.

Does the council secure continuous improvement in all of its functions?

74 There is a strong improvement culture in the organisation. The council has had to plan and build a sizeable organisation and create its processes from scratch. It has done so with a strong emphasis on review and a willingness to experiment and change its approach to overcome difficulties. Better-developed performance indicators linked to outcome-based targets would help it to ensure momentum is maintained to planned levels, and to communicate its progress to external stakeholders.

75 The council has from its inception frequently sought outside views and responded actively. In particular the review of its internal control and governance arrangements by its internal auditors, KPMG, reinforced by its external auditors, Baker Tilley on behalf of the National Audit Office, has provided a sound foundation which it has responded to successfully. One internal example is the strength of its

risk-management approach. The growth and development of the regulatory and registration processes provide a number of others. The change to the committee structure shows the willingness of the council itself to change and improve.

Does the council clearly document and communicate its structures and processes?

76 The council has mixed success in communicating its processes. It has a good booklet introducing itself in outline. However the "About us" section of the council's website was not signposted clearly to all key information about the council and its processes and plans at the time of this review. The constitution and race equality scheme are key documents for people trying to find out about how the council works but neither was readily accessible through the website.

77 The home page was constructed to provide easy access to recent GTC statements and to the most popular sections of the web site, Research of the Month and the two electronic networks, Connect and Achieve. The growth of these networks and the level of engagement secured points to the value of targeted communications for segmented audiences and could be adapted to meet the needs of parents and the wider public.

78 Senior staff were listed on the site but without contact telephone numbers or e-mail addresses. There was a generic email address for contacting members, but it would be hard for a teacher or member of the public to know who to contact on the member body without the committee membership and particularly the identity of chairs being identified.

79 By contrast regulatory processes, the code of conduct and Statement of Professional Values and Practice are clearly set out both in documents and the website and are easy to locate.

ICT Strategy

80 The council's ICT strategy is, understandably, focused on its key development of a major business-led integrated ICT system, "Project Evolve". However for the future it needs to be broadened to cover all of its ICT needs. Nonetheless planning and project management , working with a preferred supplier, for Evolve is an area of strength.

Is the council's ICT strategy fit for purpose and integrated with its broader priorities and plan?

81 The GTCE conducted a review of IT requirements in 2002, which led to the development of Programme Evolve. This focused on those areas of operations most in need of improved IT support at the time of the review. Evolve is widely viewed as the GTCE's IT strategy, rather than the 2002 documents, but it is not comprehensive and, for example does not cover all back office systems for regulation, office software and hardware or all needs of policy and research projects.

82 A more holistic approach is needed to ensure comprehensive coverage of GTCE's functions. It should be linked to corporate plans and encompass infrastructure, standards, integration, connectivity and, most particularly, how the GTC aims to exploit IT to deliver its objectives. Outside the Evolve programme there is currently little strategic planning, or any proactive planning, but rather a series of reactive responses to departmental requests. There is no IT user group. One did exist but fell into abeyance. An IT strategy group is needed, with departmental representation, to develop plans that reflect identified business direction; to prioritise projects and to provide feedback on service performance.

83 Arrangements for procuring and replacing office desktop hardware are ad hoc reflecting their "common newness" since 2000 and they now need inclusion in the strategy with a policy for phased replacement. There are no clear standards and specifications. These need to be developed and reviewed annually in the light of business requirements and technological change. For example, new laptops issued to members of the council are around three years old and are likely to be replaced when they fail, rather than on the basis of age and minimum specification. While this is pragmatic, so long as the machines are capable of running standard applications, a formal phased programme linked to medium term financial plans would now be more cost-effective when the consequences of failure are taken into account.

84 The current division of responsibilities for IT are under review. Ultimate accountability for IT rests appropriately with SMT, with the Head of Finance & Administration having overall responsibility and acting as line manager for the ICT Manager.   The ICT Manager acts as 'client' in managing the relationship with outsourced service providers, a high-level task. That is all satisfactory. However, in practice, as the only member of GTC IT staff, he also has to contribute to day to day IT technical support, to the detriment of the more strategic aspects of the role. This is unsatisfactory from a job design and satisfaction perspective and should be reviewed, with a view to delegating routine tasks to a more appropriate level or service support.

85 Business commitment is secured for the Evolve programme at senior level and has recently been reviewed. However this may need reinforcement during the implementation phase, to ensure that there is well-informed understanding of technical issues by the management team and sufficient managerial capacity for this business-critical development.

Does the GTCE's IT day-to-day support and infrastructure support its strategic intentions?

86 Operational support for IT is uneven and in some parts of the organisation insufficient. The GTCE has outsourced its IT provision and support. Service Level Agreements (SLAs) are in place and all equipment is hosted in Birmingham. Contractors' staff are located in Birmingham, but none are permanently on site in London. The focus on Birmingham is reasonable given the systems and teams located there, but support for London staff is not prioritised according to the business impact that IT 'outages' have on their work, which at the time of this review had increased to high levels owing to the effect of the office relocations.

87 There is no on-going support for council members' laptop computers since the equipment onsite support warranties have expired. Members with hardware problems have no alternative but to take them to Birmingham for repair, which is unsatisfactory and not cost-effective. Software support is provided via telephone by the ICT manager personally.   The costs of a higher level of support, including of dial-up support, should be investigated, for both London staff and remote users, and included as a requirement when the IT support contract is renewed or replaced in 2005.

88 Whilst the service covers standard office applications and hardware, more specialised requirements are not covered by the SLAs. The council needs to make strategic decisions about what applications it will support and then provide for their adequate support accordingly.

Does the GTCE's web strategy and arrangements support its strategic intentions?

89 Web strategy is currently focused on the redevelopment of the site and support for the GTC's electronic networks. Once the ICT strategy is in place, a comprehensive web strategy needs to be developed to avoid the shortcomings already mentioned in the context of documentation about governance processes, and further described in later sections of this report about communications.

Stakeholder Focus and Impact

90 It is in stakeholder focus, and particularly relationships and impact, that the council has most scope for improvement. The council works hard to understand the needs and aspirations of teachers but expends less effort on other stakeholders. It is well-regarded by those teachers and LEAs with which it works directly on policy and research, but generally has not achieved the impact it aspires to with most teachers or with other stakeholders. After starting in a difficult climate, the council is now at the end of its set-up phase and this is an appropriate juncture to tackle some of these issues by reviewing the expectations of its broad range of stakeholders and clarifying its plans.

Does the Council understanding of the needs and expectations of its stakeholders?

91 The council's stakeholders include teachers, teaching unions, LEAs, employers, government, other national bodies in the education field, the public, media and parents and pupils.

92 The council aspires to broad consultation with teachers in formulating advice and in developing and advocating measures to promote high standards of teaching. It works hard to achieve this, for example commissioning annual opinion polling of teachers about their view of the council and additional questionnaires and surveying on specific issues, for example unmet professional development needs. It develops this further in its research and policy work with teachers, schools and LEAs It has access to large numbers of teachers through the use of questionnaires enclosed with normal registration mailings. The council has a good knowledge of teachers views and expectations but been less successful in promoting awareness and appreciation within the profession about what it does with this knowledge. There may be scope for more conscious feeding back of consultation and research results.

93 The council unavoidably has strong links with the teachers' unions which represent the bulk of its membership. This ensures ready access to understanding the current concerns of the profession, which is important if it is to promote high standards. However it needs to take care that the way it conducts its business and debate does not undermine perceptions of other stakeholders about its attention to their needs and those of the public.

94 Employers could be a more powerful advocate for the council's regulatory role than they currently are, and there is scope for the council to broaden employers' understanding and sense of joint endeavour. The council's day-to-day work on registration and fee collection, as well as policy and research, brings it into regular contact with LEAs and other employers. It recognises that there is scope for a better resourced and more organised approach to managing relationships with employers and has increased resources for the specific work on registration and regulation processes. It will be important to listen to employers needs and to build mutual understanding of how to make the regulatory regime, as well as fee payments, as reliable as possible through close working. There is also scope to explain more clearly the synergy between these aspects and its policy and research work. At present some employers perceive a degree of ambiguity between its voice for the profession and its role in serving the public interest.

95 The council received a clear steer about the government's expectations in its first year of operation, when it was fully funded through grant and therefore received a remit letter setting out the Secretary of State's priorities for the council. These were broad and included shaping the future of CPD, setting standards for ITT and teaching at all stages in the teachers career, maintaining the register as a national record of teachers and qualifications, promoting equality of opportunity for teachers and pupils, and taking a lead on ICT training. It set out key principles to underpin the council's work as: "authoritative, balanced, effective, independent". The national education policy scene has since then changed significantly. Notwithstanding the council's financial independence, there is scope for revisiting the government's expectations, to ensure understanding is up-to-date and responsive. The council needs to know what advice the government wants from it and how and when it wants to receive it. This would help it to make informed and cost-effective decisions in determining the balance of its work.

96 The council has relatively low representation from pupils and parents. The National Childrens' Bureau and the National Governors Council each have a representative member. Two of the Secretary of State's appointments to the council are appointed in their role as parents. However that is only 4 out of 64. The council is aware that its consultation processes with bodies representing governors, pupils and parents are relatively undeveloped. However recent work on accountability has included parents, and parents and governors are involved in current work on standards for teaching. Direct communications through the website from pupils and parents are not actively encouraged, and signposting is not helpful to members of the public wanting to make general representations or to make a complaint or an enquiry about a teacher, in contrast, for example, with the websites of the General Dental Council or Nursing and Midwifery Council. This limits its ability to receive information about the public's view of its role. The council has made early moves to increase its research work with governors but there is scope for wider research into the needs and expectations of its lay stakeholders and particularly with pupils.

Does the council have coherent programmes of activity based on stakeholder needs and expectations?

97 The council has had to balance the expectations of teachers for a voice for the profession with external expectations of a regulatory body that defends pupils and employers robustly. This has not always been an easy balance to strike. The council responded to early difficulties in gaining acceptance by the profession by emphasising its role as a voice for teachers. However, this has had a cost in the perceptions of other stakeholders. In addition to the questionnaire survey of views the review team interviewed a sample of education stakeholder organisations (14 interviews drawn from 11 organisations), who do acknowledge the difficulties that the council has had to overcome in its early years, but many of whose views remain more negative than the council would wish. Concerns expressed to the team relate for the most part to the difficulties in getting the register working smoothly and the council's interpretation of its policy and advice remit, which is seen by some as piecemeal and also in some cases as duplicating the work of others.

98 Views of the teaching profession about the GTCE are polarised, but overall there is a level of apathy that, whilst an improvement over outright hostility, is disappointing for the council. Teachers and LEAs who have worked directly with the GTCE are positive, welcoming its willingness to listen and its work to promote a recognition of teachers' professionalism. However, in the 2004 MORI opinion survey of teachers

commissioned by the GTCE only 25% of teachers had, overall, a favourable view of the GTCE. The majority were neutral (37%) or negative (35%). Despite improved communication about the role of the GTCE and a regular magazine mailing for all registered teachers, only 10% voted in its elections. The election for the secondary head position on the council was unopposed in 2004. This lack of interest by headteachers is particularly disappointing in view of their key role in maintaining high standards and also their responsibility for initiating disciplinary processes.

99 The council has not been as effective as it needs to be in working with Whitehall and Westminster. External observers comment that the GTCE's advice is not given particular weight by a government that has now developed its own mechanisms for listening to the profession alongside other childrens' professionals, employers and parents. The remits of Ofsted, TTA and NCSL have expanded. The council is adjusting to the TTA having recently been given the lead role for developing a national framework for CPD, a role that in other parts of the UK has been given to GTC's.

100 If it is to be a more significant player in educational policy, it needs to build more trusting relationships that can encompass the discussion and development of ideas at an informal stage as well as the regular two-way communication of intent and progress that is currently in place. That will require change on both sides: recognition on the part of Whitehall that there are enough potential gains to be worth investing the time, and acceptance by the GTCE that it needs to change some of its methods of approach.

101 This is an appropriate juncture for the council to reassess its strategic approach to policy and research in the light of the current national policy landscape, to assure itself that its work continues to be appropriate and distinctive. It needs also to improve its clarity and focus in formulating and communicating its plans and their outcomes.

Does the council have a clear and effective communications strategy?

102 The council has expanded its communications activity and is starting to see benefits. The recruitment early in 2003 of a dedicated Head of Communications has resulted in an improvement in the council's understanding of and response to the needs of the media. There is more work planned, including to give senior members of the council more profile. The communications team has made a start in writing its publications in plainer English and making its strap-lines more consistent, but there is more to do in giving clear, consistent and memorable messages about the council's core remit. There has been an increasingly successful engagement with the press. Although press coverage is still sometimes hostile it is improving.

103 However, although it has made progress on its communication priorities, the council has yet to develop a comprehensive communications strategy. As a consequence it is still not exercising enough control to ensure its messages are clear, focused, consistent and fully communicated through a planned variety of channels inside and outside the organisation. The council has not drawn a clear enough line in its communications to signpost the connection between its roles in advising the Secretary of State and in promoting high professional standards to its policy and research activity and the outcomes from that. It also needs to be clearer in explaining how its advice and policy-work is linked to its regulatory and registration functions, emphasise its successes in these area to establish credibility in its research and advisory work.

104   There is as yet no comprehensive web strategy, which could form a part of the access strategy. There is enthusiasm and creative energy in the council behind web developments, and an understanding by senior management level of the potential of web technology. .However the priority given to communications with teachers and to professional networks results in the council's website not yet being used systematically and to full advantage to put broader message across. The new website needs to show improvement in clarity of message, ease of navigation, up-to-date-ness and, as has been mentioned before, clear and active document management within its architecture. The council needs to work more proactively with partners to ensure that linked material on other sites, such as those of the DfES, the TTA and teaching unions, remains relevant and up-to-date. At present searches can turn up old and out-of-date material.

105   The website is an interim arrangement pending the launch of the new site concurrently with the 'Evolve' CRM system in March 2005. The new site will eventually provide transactional facilities for teachers, such as access to their own records and some degree of validated on-line updating.

Does the council secure, enable and support partnerships effectively to deliver benefits to the education community?

106   The council has not developed a strategic, consistent approach to partnerships. Having lost territory in a crowded national policy field, if the council is to build its policy and research position into a nationally recognised position of strength it needs to do it through effective partnership-working, which will require careful positioning, active listening and a willingness to cede authority for a greater joint gain. The council collaborates increasingly with a number of national agencies, including TTA, NCSL, Ofsted and, through specific pieces of commissioned work, the DfES. It has some successes. It has started to work positively for specific ends with the TTA and has representation on the NCSL board, but it has more to do to plan, articulate and secure its future role in CPD through these and similar arrangements.   Through the Teacher Learning Academy the GTC is working with the Specialist Schools Trust, Subject Associations, Teacher Unions, Creative Partnerships, Networked Learning Communities as well as HEIs and LEAs. Its work on equalities has seen the development of working relationships with the CRE, DDA, TTA, DfES, and others.

107   For its partnerships to be successful it will need to link it approach to its broader strategic intentions. It partnerships need jointly agreed and communicated objectives, plans, protocols and success measures and within those, clear accountabilities for each partner. The council will need to communicate its partnership arrangements clearly, once negotiated, through the media and its website and publications.

Does the Council seek to ensure equal access and treatment among all groups?

108   The council has not yet developed an access strategy to cover all channels of communication and stakeholder groups. At present it does not have a map of the various channels through which the public, teachers, national stakeholders, government and others can access its services, and a strategy as to how, by whom and with in what quantities each will be used. Project Evolve will be key in its development, but it needs to pay attention to all possible channels, including its services for personal callers and post, telephone, text as well as direct web-

enabled access, and consider the communication needs of people from minority groups and with disabilities for each channel.

109   There is scope for the council to tailor its services more closely for teachers working in specific roles. This could include regulatory as well as policy and research activity, with more work on differentiating and tailoring minimum expected standards for different teaching roles, as well as, and linking with tailored CPD.

110   . The Council has demonstrated its commitment to promoting race equality in schools by establishing the electronic network Achieve, which includes a forum for supporting black and minority ethnic teachers as well as focusing on raising pupil achievement. The network has been well received and is growing steadily. However, the Council's broader commitment to race equality is not as strongly evident in its core documents as it was in the early years of the Council. Its race equality scheme, though published on the web site, is not clearly signposted from the home page.

Internal Controls

111   Internal controls are an area of strength, with a small number of areas still to be addressed.

112   The organisation is subject to internal audit by KPMG and external audit by Baker Tilley on behalf of the National Audit Office. Arrangements for internal control and governance were the subject of a review by KPMG in 2002 that has been revisited recently. Most recommendations have been implemented successfully and the few remaining are ongoing or kept under review.

113   In view of existing scrutiny and the council's responsiveness, work on this area of the methodology has been very light touch with, at the council's request, more emphasis on performance management than other areas.

Does the council ensure good stewardship of the council's resources?

114   The council's financial standing is judged sound by its auditors. It is now funded almost entirely by fees, with some grant income for specific projects. Exceptionally in 2004/05, it has reserves of almost half its annual income. This has resulted from a combination of slippage of earlier planned expansion and a conscious husbanding of resources to afford new IT systems. After the implementation of the Evolve project reserves will have declined to more modest levels for 2005/06.

115   Internal control arrangements have been judged sound by the council's internal and external auditors with the exception of a qualification on the debtors control system for 2003/04 owing to remaining discrepancies between teachers on the register and employers payment records. The improvement in register accuracy during 2004/05 is hoped by the GTCE to be sufficient to avoid a qualification in the next audit, but it needs to keep this under active management review.

116   Financial regulations were revised in line with the auditor's recommendations and the revised regulations adopted in September 2004. Member involvement in financial planning and monitoring has increased, with each committee receiving a financial performance summary against the budget, with a traffic-light system to show how the service is performing against its budget. Senior members report that they feel well-informed on the council's finances.

Is there clear, detailed and accurate financial reporting and monitoring?

117   Financial reports to the council are brief and clear. In 2003 the council introduced monthly monitoring by SMT, with management reports on expenditure-to-date, budget-to-date, variance, annual budget, budget remaining for each service heading. These reports are adequate but could be improved by graphical presentation, for example of time-based comparisons, and a clearer summary of committee-level totals.

Does the council have a system of performance management that secures the delivery of its plans?

118   There is a strong performance culture running though the management of the organisation. It is working towards IIP, and increasingly linking staff objectives to organisational aims. A described in paragraph 71 and 72, internal departmental

planning arrangements are consistent and well-managed, and all sections have operational plans. Staff understanding of their general contribution towards the aims of their work-group is good although the lack of SMART targets means there is lack of clarity about quantified aims.

119   The council does not have enough performance indicators, for example for standards of accuracy of the register, speed of fee payments, speed of answering of enquiries, timeliness of conduct of disciplinary hearings, reach of communications activities, outcomes of policy initiatives. This is understandable in a young organisation but it means that managers are not immediately aware of where they are against where they planned to be, in outcome rather than in process terms. The Council's public information needs to be clearer and more readily available to better inform stakeholders. In reputational terms, greater clarity, with more numbers, about where the council is in its plans, what it has yet to do, when it intends to do it and what difference it will make would be an easy presentational gain for the council to make, and a necessary one for its performance management to function well.

120   The lack of a clear set of indicators makes it hard for members to monitor at a glance whether their intentions for services are being met and whether resources are adequate. Monitoring of the council's progress is active, and action is taken as a result. However it is mainly of progress against plans rather than of outcome standards against targets. Monitoring by the senior management team monthly and reported quarterly to council. Activity is reported to members along with expenditure monitoring.

121   The council's internal mechanisms for planning, monitoring, teamwork, communication and performance management provide a generally sound basis for continuous improvement within services although there are improvements that could be made. There is room for more monitoring of team performance and structured involvement of staff and teams in improving performance. The work on preparation for IIP should support this. There is scope, as a part of this, for greater cross-team working. Staff like the wall-mounted display for the teacher enquiry service call-centre, which allows them to share in the successes of that team and be sensitive to the pressures of colleagues' work. They would welcome an equivalent, if less immediate, update on all teams so they can feel part of a corporate effort.

122   Performance appraisal arrangements are in place but are under review as a part of the preparation for IIP. Staff views of the appraisal system, which is an annual objectives-based scheme with a half-year review, are mixed, and the current review at the end of the organisation's set-up phase is timely. Performance management systems and protocols need to be re-engineered and integrated with the back-office changes that Project Evolve will trigger.

123   Appraisal is, as it should be, linked to operational plans and to training and development. The objectives of the chief executive are set by the chair of council and objectives are cascaded through line managers. However there is some patchiness in the extent to which the process is really adding to team-based planning, briefing and review, and a lack of linkage to day-to-day performance monitoring in some of the front-line teams. There is no lack of enthusiasm, and front-line staff are keen to be involved in discussions about how to improve performance.

124   Induction training and processes are set out in a workbook for staff and managers, although this is not always followed, is not appropriate for all levels of staff and again, is ready for review.

Does the council have an active system of risk management which staff and council members understand and use?

125   Risk management is a strength of the organisation. It was developed as a result of a recommendation by KPMG, the council's internal auditors, and now forms a key part of decision-making protocols and internal control. The risk management analysis criteria and register were checked for this review for Project Evolve rather than for the whole of the council's operations. Risk assessment is embedded in the Project Evolve methodology and a specialist external consultant is used to scrutinise the risk management processes and risk register for the project, independently of the contractor. The analysis and register are relevant, comprehensive, broadly interpreted and up-to-date. Staff are trained in their use and risk-management has been well-explained to members and has been used by them in decision-making for Project Evolve and more widely.

126   Consideration of risk, used more broadly as a management tool, is embedded within the council's habits of thought in a way that was evident in the approach of senior members and managers during this review. Risks for all key strategies are identified, categorized, and scored and mitigations regularly considered and reviewed. Risk management forms a key part of quarterly monitoring reports to SMT of delivery against plans and is summarised for council.

Does the council ensure that Project Evolve is properly resourced and rigorously managed

127   At the council's request, our evaluation of project management has been through examination of the Evolve programme for ICT development. Sound governance and project management arrangements are in place and have been effectively applied. Key GTCE staff have developed their skills whilst working on the Evolve programme and improved the organisation's capacity in this key area of governance.

128   Business change management and communications arrangements are satisfactory.   The project is sponsored effectively at SMT level, but dedicated senior leadership is required in the longer term to drive implementation of the programme and further develop IT strategy, as indicated earlier.

129   User involvement in Evolve specification development and prototyping is appropriate and options appraisal and product evaluation processes are sound. Pre-contract processes were robust. They included a due diligence review by an external legal team and value for money assessment by independent third party consultants.   The approvals process followed GTCE procedures rigorously.

130   Effective decision making processes have been established through the Implementation Steering Group, which has clearly and appropriately defined delegated powers. Robust specification change management procedures are in place. There is sound financial control, with project managers allowed time and cost tolerance within clear limits.

131   Sound project management arrangements are in place for Evolve, in line with the strategic partner's methodology, which incorporates similar controls to the Prince 2 methodology. There has been effective skills transfer from consultants to GTCE staff, none of whom had previous experience of large scale IT related projects. Project management training has been provided for all key managers. A good professional working relationship between GTCE staff and the strategic partner is evident.

Leadership, Culture and Standards of Conduct

Is there clear and effective leadership of the wider teaching community and the council?

132   The council membership itself has gained acceptance as a national institution that no longer attracts active antagonism from the profession, but has not yet found a clear leadership voice, for the reasons outlined earlier in the report: an adversarial style that does not easily reach consensus on controversial issues, a heavy union presence, a dearth of lay representation, the lack of a critical mass of members experienced in high-level governance in public or business life, an ongoing ambiguity between giving a voice for the profession and the public interest and a lack of engagement with stakeholders outside the profession. The new council may be more successful in achieving leadership through the medium of its committee-work, helped by a recently strengthened communications function.

133   The chairmanship of the council has changed twice during its early life. The new provision for longer tenure will help future chairs to establish recognition and presence. The leadership focus at the start of the council's work was to gain the confidence of an antagonistic teaching profession and to make use of national access to senior government figures to create a profile for the organisation, achieving some success on both fronts. During the life of the council's second chair the focus continued to be to bolster the credibility of the organization with classroom teachers. This tenure coincided with a period of absence through illness of the chief executive, which was a difficult time for the organisation. The current leadership of a new chair and vice-chair took up office only a month before this review. The chair and vice-chair combine national union experience with practising and advanced skills teacher experience. It was too soon to assess the impact of their leadership, although early impressions were of a committed and enthusiastic presence and skillful meeting-handling.

134   The organisation has been set-up with organisational skill and drive to achieve a functional organisation with a good open culture and a strong improvement ethos. Political/ professional boundaries have been managed well within the council despite the considerable inherent difficulties with the way it was set up.   The fostering of internal relationships has created strong teams within the organisation. The handling of external relationships has however been less successful.

135   The management team works well together. There is commitment, enthusiasm and openness and a strong desire to drive the organisation forward. The team provides effective planning and leadership of organisational development. Members of the team recognise however that their meetings have not always been strategic enough. Consideration of their various functions and the way in which they fulfil them could help.

136   Staff communication is generally good, through a variety of channels, including a well-produced regular emailed newsletter to staff from the chief executive, emailed bulletins, managers' development days, an annual staff day and in some cases cross-team meetings. The primary mode of communication is through a weekly cascade of team meetings from SMT. This generally works well although with some variability, depending as it does on individual team leaders. There is scope for a

more managed approach to ensuring briefing cascades through the management structure consistently.

Does the council's culture promote mutual respect and constructive engagement among council members, managers and staff?

137   The organisation has strengths in its open and positive culture although there are still some areas for attention. Members and staff display strong commitment to the organisation, especially those who have been with it from the start. Even those members elected on a manifesto that is to some extent oppositional have, during the first electoral term of the council, come round to support for the council's policy work because of its strong focus on what teachers themselves believe. Relationships between members, managers and staff are generally positive, productive and respectful. A further challenge is the need to achieve the same with the new cohort of council members who show early signs of strongly union-influenced stances, but this review was too early in the life of this administration elected council to get a clear view.

138   Staff are willing to speak openly and candidly about their views in a spirit of wishing to contribute to the organisation's development. They generally enjoy working for the council. Temporary staff have tended to stay. Turnover is at manageable levels and in some sections low. Staff comment that the conditions are good and that management supports team-working, although there is some feeling that there is not enough management focus on meeting the needs of front-line staff to enable them to work efficiently. As noted earlier staff are keen to be engaged in efforts to improve performance and ready to express ideas on how to do it.

139   There is an emphasis on equal opportunities within the organisation, with a public-sector approach to advertising of vacancies. The council has however been slow to get HR policies into place, waiting for union ratification of policies rather than being proactive adopting provisional policies pending later agreement. This is hampering development on the HR front and can cause difficulties.

140   The split between London and Birmingham creates difficulties in achieving a one-organisation culture. Cross-team understanding and working is not helped by the physical separation of the transactional services in Birmingham from the policy and communications activities in London, and there is a noticeable cultural gap. Managers try to overcome this but they are not entirely successful in persuading Birmingham staff that top management is sufficiently strongly-focused on regulation, registration and administration. Conversely, London staff feel that their needs for ICT and systems are given lower priority.

141   The council's new accommodation is modern and fit-for-purpose, with a good suite of rooms having excellent rail access for disciplinary hearings at the Birmingham office. However, reception arrangements at both of the council's offices are in need of improvement, with reception desks provided but not generally staffed. At the time of the review there was no signage at the new Birmingham office, which was at the time hearing regulatory cases. Signs were reportedly on order, but temporary arrangements were inadequate to enable visitors to feel comfortable and confident.

Does the council promote high standards of conduct internally?

142   Coverage of standards of conduct in this review was confined to management arrangements, which are satisfactory. There is an evident public service ethos within the council and it has reported no serious problems in its short life. The head of secretariat and governance maintains a monitoring brief and offers advice to members on standards of conduct. One minor issue that did arise, related to appropriate use of time on relevant but peripheral conferences when on council business. This is now resolved satisfactorily.

143   The council's constitution includes clear codes of conduct for staff and members of the council and provides for whistle-blowing and a register of interests. The seven principles of public life are included. Within its standing orders there are clear principles for declarations of interests. There is an anti-fraud strategy in place. The council's Audit, Monitoring and Review Committee has a role to oversee concerns over propriety raised by staff or members. The chief executive has responsibility to oversee standards and the internal auditor reports directly to her. Whistle-blowers can raise matters of concern with either the chief executive or the chair of the Audit, Monitoring and Review Committee. Both have responsibility within the scheme to protect the confidentiality of the whistle-blower.

Prospects for Improvement

144   Prospects for improvement are judged in this methodology through an organisation's clarity and robustness of aim and prioritisation, its track record of converting aims into real achievements, learning from its successes and failures, its investment in its future capacity and the quality of its planning processes and plans. Prospects for steady organisational and service improvement by the GTCE are good. Prospects for a step change will require an active and positive response to the recommendations of this report.

145   There is an effective internal managerial culture of review and development. The council has generally strong planning, organisational and performance management skills. Progress has been positive, steady and secure although pace in achieving an accurate register and recognition with stakeholders has not been fast enough. Nonetheless having built the organisation in four years, including two major office moves and sound preparatory work for a major new IT system, the council has a proven track record and is close to achieving some of its key organisational aims.

146   The council wants to succeed and members and officers are willing to change where they accept the need to do so. To this end the council needs to be clearer in setting, quantifying and communicating its aims and plans, including distinguishing more clearly where it has a distinct role and where it can achieve its ends more effectively through partnership. In responding positively to the changing emphasis of national policy towards re-thinking the needs of the learner, it will need to consider whether it should more directly and robustly represent and articulate the needs of pupils, parents and employers.

147   The council faced external difficulties when it was set up that are acknowledged by external observers. In dealing with these it has sometimes been slow, or perhaps not effective enough in Whitehall diplomacy, to renegotiate externally-imposed difficulties that could be changed, for example the lack of borrowing powers. In the crowded educational field it has not always used its unique responsibilities of registration and regulation to best advantage in ensuring that it is heard, and has not been as quick as it might have been to develop productive partnerships to achieve its ends where it is not the sole player.

148   The step-change needed in achieving recognition and acceptance as a key player on the national education policy stage will, if it is to happen, require strong political and professional leadership, an ability to listen, be sensitive to and manage external perceptions and respond to key players outside the council and establishing a strong, trusting basis for partnerships.

Corporate governance review team

149   This corporate governance review is ancillary to the Audit Commission's role in reporting on performance and the delivery of services by certain bodies in the public sector. It has used a tailored version of the Audit Commission's methodology for the inspection of the corporate governance of local authorities.

150   The review was undertaken by a team from the Audit Commission and took place in November 2004. Team members were Jane Wreford (team leader), Sarah Phillips and John Thornton.

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