



Teaching
Regulation
Agency

Teaching Regulation Agency

Framework document

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Introduction

This Framework Document has been drawn up to underpin and facilitate the relationship between the Department for Education ('the department') and the Teaching Regulation Agency ('the Agency').

This document sets out the broad framework within which the Agency will operate. The document does not convey any legal powers or responsibilities but all parties will operate within its terms. It has been signed and dated by the Permanent Secretary of the department, the Minister of State for School Standards and the Chief Executive of the Agency. Copies of the document have been placed in the Libraries of both Houses of Parliament and made available to members of the public on GOV.UK, as will any subsequent amendments.

The Agency or the department may propose amendments to this document at any time under arrangements agreed by the Permanent Secretary, the Minister of State for School Standards and the Chief Executive of the Agency. Significant variations to the document must be cleared with HM Treasury, the Cabinet Office and the department as appropriate. Any questions regarding the interpretation of the document will be resolved by the Permanent Secretary or their representative after consultation with the Agency and, as necessary with the Cabinet Office and, or HM Treasury.

In this document, unless otherwise stated, the following definitions shall apply:

"the Accounting Officer"	The Chief Executive of TRA
"ARC"	Audit and Risk Committee
"the Annual Report and Accounts (ARA)"	The strategic report, directors report, and other statements published alongside the annual statement of accounts required to be audited by the National Audit Office
"the department"	The Department for Education
"the Effective Date"	1 st April 2018
"the Executive Board"	TRA Executive Board chaired by the Agency's Accounting Officer and attended by finance, HR, TRA Grade 6 civil servants
"the Government"	The UK Government
"the Minister"	The Minister of State for School Standards
"Parliament"	The UK Parliament
"PRRC"	Performance, Risk and Resourcing Committee
"the Principal Accounting Officer"	The Department's Permanent Secretary
"the Secretary of State"	The Secretary of State for Education

In line with Cabinet Office policy for the tailored reviews of public bodies, the Agency will undergo its first tailored review no later than March 2020. It will then be reviewed at least once in the lifetime of each Parliament or sooner in the event of a significant change in the scope or direction of its primary aims. These reviews ensure that the Agency is delivering effectively against its aims and objectives. The tailored review will be carried out in line with the Cabinet Office [policy for the tailored reviews of public bodies](#).

This Framework Document will be reviewed as part of the planned tailored review. Thereafter, it will be reviewed every three years.

1. Purpose of The Teaching Regulation Agency

1.1 The Agency is an executive agency of the Department for Education created in April 2018. The National College for Teaching and Leadership (NCTL) was repurposed to create the Agency. The purpose of the agency is to support employers, schools and head teachers with safeguarding responsibilities by taking action on receipt of allegations of serious teacher misconduct.

1.2 The Agency exercises a statutory power on behalf of the Secretary of State to prohibit individuals from the teaching profession in England (Section 141B of the Education Act 2002) and to hold a list of teachers who have been prohibited from teaching (Section 141C of the Education Act 2002).

1.3 The Agency acts on behalf of the Secretary of State as the competent authority for teaching in England. This role includes the recognition of the professional status of teachers from outside England. This includes the award of qualified teacher status (QTS) to fully qualified teachers from the EEA, under EU Directive 2005/36/EC, fully qualified teachers from Australia, New Zealand, Canada, the USA and teachers trained within the United Kingdom.

2. Governance and Accountability

Legal origins of powers and duties

2.1 The Agency's powers and duties stem from Section 141B of the Education Act 2002, which gives the Secretary of State the power to prohibit individuals from the teaching profession in England, and Section 141C of that Act which requires the Secretary of State to hold a list of teachers who have been prohibited from teaching.

2.2 The Teachers' Disciplinary (England) Regulations 2012 ("the Regulations") set out the detailed provisions according to which the system should operate and the Teacher Misconduct - Disciplinary Procedures for the teaching profession ("the procedures") outline the procedures the Agency adheres to in relation to regulating the teaching profession.

2.3 Further detail on the terms used in the procedures and advice on what factors are relevant when considering if a case should be referred can be found in 'Teacher Misconduct: the prohibition of teachers' ("the advice").

2.4 The Agency is responsible for ensuring compliance with the relevant provisions of the EU Directive 2005/36/EC for as long as the UK is obliged to comply with that Directive. It also provides the European Commission (via BEIS/NARIC) with the annual EEA award and decline data per country for qualified teacher status (QTS) and partial QTS.

2.5 The Agency does not have delegated authority to create subsidiaries or enter into any joint ventures.

3. Overall Aims

3.1 The Secretary of State and Minister of State for School Standards has agreed that, subject to paragraph 1 above, the strategic aims of the Agency should be as follows:

On behalf of the Secretary of State, the Agency will:

- act as the competent authority for teachers in England and ensure compliance with the relevant provisions of EU Directive 2005/36/EC. The Agency will comply with EU service level agreements for assessment and decisions regarding applications from qualified teachers from the EEA for QTS in England
- award qualified teacher status (QTS) to teachers in England on completion of an accredited course of initial teacher training and maintain the database of qualified teachers in England
- consider allegations of serious teacher misconduct from receipt of referrals to carrying out formal investigations when required and convening panels to hear evidence. The panels are responsible for deciding whether the facts and the misconduct have been proven and, if so whether to recommend that a prohibition order would be appropriate
- make decisions, following a panel recommendation where a teacher has been given the right to apply to have a prohibition order set aside and he or she makes such an application

In addition the Agency will:

- enable employers of teachers to undertake mandatory pre-employment checks by providing secure online access to the list of qualified teachers and the lists of teachers prohibited from teaching or holding a sanction from the Secretary of State
- respond to all teacher qualification (TQ) helpdesk enquiries within the agreed service levels
- support the policy development for recognition of overseas trained teachers on exit from the EU
- support ministers and wider departmental policy (including teacher international recruitment teams) with timely and accurate qualified teacher status (QTS) and induction data, providing evidence to help make informed decisions.

4. Ministerial responsibility

4.1 The Secretary of State and the Minister of State for School Standards (hereafter the “Minister”) will account for the Agency’s business in Parliament. The Minister will have lead responsibility for oversight of the Agency on a day-to-day basis. The Minister will be responsible for signing off the Agency’s Corporate Plan.

5. Contact and Engagement

5.1 The Secretary of State is responsible for the Agency and the Agency has no separate legal basis other than that which comes from the department.

5.2 The department and the Agency will have an open and honest, trust-based partnership supported by the principles set out in the [Partnerships of Arms Length Bodies \(ALBs\) Code of Good Practice](#).

As such, both parties will ensure that they clearly understand the strategic aims and objectives of their partners. Both partners will also commit to keeping each other informed of any significant risks, issues and concerns.

5.3 The Education Standards Directorate (ESD) in the department is the primary contact for the Agency. The department’s Senior Sponsor for the Agency will be the Director of School Improvement and Teacher Development (SITD) in ESD. If this post is at any time vacant after the signing of this document, the Director General (DG) for ESD will oversee sponsorship until a suitable replacement is in post.

5.4 The Senior Sponsor will:

- act as the senior point of liaison between the Agency, the department, and ministers
- be the main source of advice to ministers on the discharge of his or her responsibilities in respect of the Agency
- support and advise the Principal Accounting Officer (PAO) on his or her responsibilities toward the Agency
- ensure that, where reasonably possible, the Agency’s Chief Executive has advance notice of wider government announcements on schools
- aid the flow of information and nurture relationships, facilitating the Agency’s relationships with officials in other government departments where required
- work collaboratively with the Agency’s Chief Executive to facilitate the smooth operation of the arrangements set out in this Framework Document
- ensure requests for approval of expenditure are dealt with promptly and proportionately, and that departmental approval is not unreasonably delayed and/or withheld for any reason, except where the Secretary of State or Minister

reasonably considers that the proposed expenditure may not represent value for money.

5.5 In addition to routine and policy lead contact between the department and the Agency, meetings will take place between:

- the Senior Sponsor and the Agency's Chief Executive at the Quarterly Strategic Performance Review (SPR) meetings. These meetings will be chaired by the Senior Sponsor. The purpose of these meetings will be for the Senior Sponsor to review the performance of the Agency, including risks and issues which may need escalating to the Performance, Risk and Resourcing Committee (PRRC), and, or the Audit and Risk Committee (ARC). It will also be an opportunity for the Senior Sponsor to provide scrutiny and challenge regarding the performance of the Agency. A Senior Civil Servant from outside of ESD and representatives from ESD Delivery Unit will also attend the SPRs to provide independent scrutiny and challenge
- the Senior Sponsor and the Agency's Chief Executive on a monthly basis. These meetings will enable the Chief Executive of the Agency to review the performance of the Agency with the Senior Sponsor
- An annual meeting between the Minister and the Chief Executive.

5.6 The Director General for ESD will be kept informed regarding the performance of the Agency via the monthly bilateral meetings with the Senior Sponsor.

5.7 Any disputes between the department and the Agency should be raised initially with the Senior Sponsor where there should be a discussion to look to resolve. The Senior Sponsor may utilise specialist resource where appropriate for input and steer, for example, policy, finance, commercial etc. If the dispute is not resolved the Senior Sponsor will inform the DG ESD and the DG ESD will give notification to the Permanent Secretary's office of the potential issue. The Permanent Secretary will identify a non-executive to review the dispute. The non-executive will act as mediator between both parties and will have the option to seek supporting information when required. If mediation has resolved the issue and both parties have agreed further action to be taken, this can then be agreed by the Permanent Secretary. If neither party is able to agree on next steps, the non-executive will provide their findings and recommendations to the Permanent Secretary for their final approval. The Permanent Secretary will make the final decision based on the non-executive's findings.

Teacher misconduct decisions

5.8 The Agency must be allowed to make decisions, on behalf of the Secretary of State and operate at arm's length from the department. This is because ministerial view cannot influence the decision to prohibit individuals from teaching. The Agency will make decisions in accordance with the published guidance. Where a decision taken on behalf

of the Secretary of State leads to significant criticism from the Secretary of State, and, or Minister, the Agency will work with the departmental policy team to review the guidance. The Agency is responsible for ensuring all guidance regarding the prohibition of teachers is kept up to date and relevant to governmental policy.

6. Sponsor department's Accounting Officer's specific accountabilities and responsibilities as Principal Accounting Officer (PAO)

6.1 The Permanent Secretary is the PAO for the department and, as such, is responsible to ministers for the overall leadership and operation of the department, including the Agency.

6.2 The Principal Accounting Officer (PAO) of the department has designated the Chief Executive as the Teaching Regulation Agency's Accounting Officer.

6.3 The respective responsibilities of the PAO and Accounting Officers for arm's length bodies are set out in Chapter 3 of *Managing Public Money*, which is sent separately to the Accounting Officer on appointment.

6.4 The PAO is accountable to Parliament for the issue of supply financing to the Agency.

The PAO is also responsible for advising the Minister on:

- an appropriate framework of objectives and targets for the Agency in light of the department's wider strategic aims and priorities
- an appropriate budget for the Agency in light of the department's overall public expenditure; and
- how well the Agency is achieving its strategic objectives and whether it is delivering value for money.

6.5 The PAO is also responsible for ensuring arrangements are in place in order to:

- monitor the Agency's activities
- address significant problems in the Agency, making such interventions as are judged necessary
- periodically carry out an assessment of the risks both to the department and the Agency's objectives and activities
- inform the Agency of relevant government policy in a timely manner
- bring concerns about the activities of the Agency raised by Senior Sponsor and, as appropriate to the department's Leadership Team requiring explanations and assurances that appropriate action has been taken.

7. Responsibilities of the Agency Chief Executive as Accounting Officer

7.1 The Chief Executive as AO is personally responsible for safeguarding the public funds for which he or she has charge; for ensuring propriety, regularity, value for money and feasibility in the handling of those public funds; and for the day-to-day operations and management of the Agency. In addition, he or she should ensure that the Agency as a whole is run on the basis of the standards in terms of governance, decision-making and financial management that are set out in Box 3.1 of 'Managing Public Money'.

7.2 The AO's accountabilities to Parliament include:

- signing the Agency's accounts and ensuring that proper records are kept relating to the accounts. They also need to ensure that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State and Minister
- preparing and signing an annual governance statement covering corporate governance, risk management and oversight of any local responsibilities, for inclusion in the annual report and accounts
- ensuring that effective procedures for handling complaints about the Agency are established and made widely known within the Agency and to the wider public
- acting in accordance with the terms of this Framework Document, 'Managing Public Money' and other instructions and guidance issued from time to time by the department, HM Treasury and Cabinet Office
- giving evidence, normally with the PAO, when summoned before the Public Accounts Committee on the Agency's stewardship of public funds.

7.3 The AO or a nominated representative, will advise ministers on Parliamentary Questions (PQs) and Parliamentary correspondence, as and when required, on all operational matters related to the responsibilities of the Agency. These commissions will come through the Agency's Programme Management Office (PMO) and be dealt with accordingly. Where appropriate, the Agency and departmental policy teams will work closely on responses to PQs and other Parliamentary correspondence. The Secretary of State can direct the Chief Executive to write to Members of Parliament or Lords in respect of their PQs or Parliamentary correspondence.

7.4 More detailed arrangements for Agency reporting to the department, PAO and responsible ministers can be found in the 'Reporting Performance to the Department' section in this document.

7.5 The AO will have responsibility for making sure that the Agency can safeguard and account for its assets.

7.6 The AO's responsibilities to the department include:

- establishing, in agreement with the department and ministers, the Agency's Corporate and Business plans in the light of the department's wider strategic aims and agreed priorities
- informing the department through the Senior Sponsor of progress in helping to achieve the department's policy objectives and in demonstrating how resources are being used to achieve those objectives
- ensuring that timely forecasts and monitoring information on performance and finance are provided to the department; that the department is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the department in a timely fashion.

7.7 The AO will report directly to the Senior Sponsor who will also act as the line manager of the AO. The Senior Sponsor is responsible for evaluating the performance of the AO, in consultation with the DG ESD. The DG ESD is responsible for informing and advising the Minister how the Agency is performing.

8. The Agency's Executive Board

8.1 The Agency will be led by an Executive Board chaired by the Chief Executive and attended by his or her senior team. This board has no statutory authority and provides the Chief Executive with an opportunity to review the operational delivery and performance of the Agency.

8.2 The full roles and responsibilities of the Executive Board are set out in a terms of reference agreed by both the Senior Sponsor and the Agency. The Executive Board will also own and oversee the strategic and operational risks of the Agency, these will be highlighted on the Agency's Strategic Risks and Issues Register (SRIR). The Chief Executive will review the SRIR with the Senior Sponsor at both the monthly meetings and the quarterly SPRs.

9. Annual report and accounts (ARA)

9.1 The Agency must publish an annual report of its activities together with its audited accounts after the end of each financial year. The Agency shall provide the department its finalised accounts following an agreed timetable each year in order for the accounts to be consolidated within the department's annual report and accounts.

9.2 The ARA must:

- cover any corporate, subsidiary or joint ventures under its control

- comply with the [Government Financial Reporting Manual \(FrEM\)](#)
- outline main activities and performance during the previous financial year and set out in summary form forward plans.

9.3 Information on performance against key financial targets is within the scope of the ARA and should be included in the annual report element of the ARA. The ARA shall be sent to the Secretary of State; laid in Parliament and made available on the Department for Education website, in accordance with the guidance in the FrEM. The ARA should be submitted to the department at a time to be agreed annually, before the proposed publication date. The ARA should be prepared in accordance with the relevant statutes and specific accounts direction issued by the department and in accordance to the FrEM guidance.

10. Internal audit

10.1 The Agency shall:

- establish and maintain arrangements for internal audit and risk in accordance with HM Treasury's [Public Sector Internal Audit Standards \(PSIAS\)](#). The Agency will receive internal audit and assurance services from the Government Internal Audit Agency (GIAA)
- ensure that GIAA provide independent and objective assurance to the AO and Senior Sponsor on the adequacy and effectiveness of the Agency's governance, risk management and control. This will be timed to support the Accounting Officer's Annual Governance Statement
- ensure the department through working with the Senior Sponsor is satisfied with the competence and qualifications of its internal auditors and the requirements for approving appointments in accordance with PSIAS
- ensure the department and GIAA have complete access to all relevant records, including where a service is contracted out
- forward the audit strategy, periodic audit plans and annual audit report, including the Agency's opinion on risk management, control and governance as soon as possible to the Senior Sponsor
- keep records of, and prepare and forward to the department an annual report on fraud and theft suffered by the Agency and notify the department of any unusual or major incidents as soon as possible.

11. External audit

11.1 The Comptroller and Auditor General (C&AG) passes the audited accounts to the Secretary of State who will lay the accounts together with the C&AG's report before

Parliament.

11.2 The C&AG:

- will consult the department and the Agency on who – the National Audit Office (NAO) or a commercial auditor – shall undertake the audit(s) on their behalf, though the final decision rests with the C&AG
- has a statutory right of access to relevant documents, including by virtue of section 25(8) of the Government Resources and Accounts Act 2000, held by another party in receipt of payments or grants from the Agency
- will share with the department information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on the department's responsibilities in relation to financial systems within the Agency
- will, where asked, provide departments and other relevant bodies with Regulatory Compliance Reports and other similar reports which departments may request at the commencement of the audit and which are compatible with the independent auditor's role.

11.3 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the Agency has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, the Agency shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and contractors and sub-contractors as may be required for these examinations; and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies.

11.4 The department has the right of access to all the Agency's records and personnel for any purpose including, for example, audits and operational investigations.

12. Complaints and investigations

12.1 The Agency will adhere to the department's complaints procedure for investigating any allegations of fraud or impropriety made against the it.

12.2 The Agency is subject to the jurisdiction of the Parliamentary and Health Service Ombudsman (PHSO). Cases may be referred to the PHSO by a Member of Parliament once the department's complaints procedure has been exhausted.

12.3 The department's PAO is the department's Principal Officer for the purposes of PHSO referrals, but will delegate responsibility for handling any matters concerning the Agency to the Chief Executive as appropriate.

13. Management and financial responsibilities

***Managing Public Money* and other government-wide corporate guidance and instructions**

13.1 Unless agreed by the department and, as necessary, HM Treasury, the Agency shall follow the principles, rules, guidance and advice in ‘Managing Public Money’, referring any difficulties or potential bids for exceptions to the Insight, Resources and Transformation Directorate in the department in the first instance. A list of guidance and instructions with which the Agency should comply is in Appendix 1.

13.2 Once the budget has been approved by the department, and subject to any restrictions imposed by statute, the Ministers’ instructions, or this Framework Document, the Agency shall have authority to incur expenditure approved in the budget without further reference to the department, on the conditions that:

- the Agency shall comply with the budgetary and spending delegations set out in the letter of delegated authority received from the department at the beginning of each financial year, and these delegations shall not be altered without the prior agreement of the department
- the Agency shall comply with ‘Managing Public Money’ regarding novel, contentious or repercussive proposals
- All cases or proposals that need PAO and HM Treasury formal approval under the terms of ‘Managing Public Money’ and the department’s delegated authorities framework will first be referred to the department’s Financial Governance and Finance Policy Team for consideration
- inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed
- the Agency shall provide the department with such information about its operations, performance, individual projects or other expenditure as the department may reasonably require.

14. Information assurance and security

14.1 The Agency will have in place an information security policy and processes that provide assurance on the appropriate management and treatment of information. The Agency will also comply with departmental policies on information assurance and security.

15. Risk management

15.1 The Agency shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy in accordance with the HM Treasury guidance '[Management of Risk Principles and Concepts](#)' and the DfE Risk Management Framework. It should adopt and implement policies and practices to safeguard itself against fraud and theft, in line with HM Treasury guidance. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract or to give grant or grant-in-aid.

15.2 The work of the Agency will also be subject to scrutiny by the Department's Audit and Risk Committee (ARC) a sub-committee which focuses on departmental and Agency accounts, risks, accountability and propriety, as well as providing independent assurance to the Permanent Secretary in his role as Principal Accounting Officer. It may also make recommendations to the Principal Accounting Officer and the Leadership Team on the Agency's risk management.

15.3 The Senior Sponsor through their PMO office is responsible for escalating any risk that meets the escalation criteria as set out in the department's risk management framework initially to the Performance, Risk and Resourcing Committee (PRRC) who will escalate to Leadership Team and ARC where appropriate..

15.4 The Agency will respond to departmental commissions for information on performance and risk as appropriate to support the Senior Sponsor in carrying out their role. All commissions should be directed to the Agency's Programme Management Office.

15.5 The Agency will maintain robust contingency and business continuity plans and will review and test these frequently.

16. Corporate and Business Plan

16.1 At the beginning of each financial year the Agency shall submit its Corporate Plan to the department for its work covering three years ahead. The Corporate Plan will be agreed with the Senior Sponsor and the DG ESD and approved by the Permanent Secretary and Minister.

16.2 The Corporate Plan shall reflect the Agency's general and, or other duties and, within those duties, the priorities set out in the annual guidance from ministers (including decisions taken on policy and resources in the light of wider public expenditure decisions). The plan shall demonstrate how the Agency contributes to the achievement of the department's priorities for schools, cover objectives and associated key performance targets for the forward years, and the strategy for achieving those objectives.

16.3 The Agency's Business Plan will form part of the Corporate Plan. The Business Plan will include the following:

- key non-financial performance targets
- an estimate of performance in the current year and remaining years within the Spending Review period
- alternative scenarios and an assessment of the risk factors that may significantly affect the execution of the plan but that cannot be accurately forecast; and the volatility around any forecast amounts
- other matters as agreed between the department and the Agency.

16.4 The Business Plan contained within the Corporate Plan shall be updated annually to include key targets and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the department.

16.5 Subject to any commercial considerations, the Corporate and Business Plan should be published by the Agency on GOV.UK and separately be made available to staff.

17. Budgeting procedures

17.1 Each year, in the light of decisions by the department on the updated draft Corporate Plan, the department will send to the Agency by the start of the financial year:

- a formal statement of the annual budgetary provision allocated by the department in the light of competing priorities across the department and of any forecast income approved by the department
- a statement of any planned change in policies affecting the Agency.

17.2 At every stage of the budget process, the department's and the Agency's finance teams will act openly and transparently. They will ensure the Chief Executive, the department including the Senior Sponsor and the department's PAO are fully apprised of all aspects of the plans for the Agency's budgets, both prior to and after HM Treasury has agreed a delegated expenditure limit with the department.

17.3 There will be a quarterly, detailed financial review of the forecast and budgets across the department, which will be used to inform the department's Leadership Team discussions on managing the department's finances and for reporting to HMT. The mid-year review (end September) will form the basis of the Supplementary Estimate, the only opportunity to change departmental spending limits before the end of the year. New delegation letters will be issued to confirm the revised Agency budgetary limits when the Supplementary Estimate is published annually in April.

17.4 The approved annual Business Plan will take account both of approved funding provision and any forecast receipts, and will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any departmental funding and, or other income over the year. These elements form part of the approved business plan for the year in question.

18. Reporting performance to the department

18.1 The Agency shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in the Corporate and Business Plans. The Agency shall inform the Senior Sponsor of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, including performance in helping to deliver ministers' policies, and the achievement of key objectives regularly at the quarterly Strategic Performance Review meetings.

Providing monitoring information to the department

18.2 As a minimum, the Agency shall provide the department with information monthly that will enable the department satisfactorily to monitor:

- the Agency's cash management

Agency/Department working level liaison arrangements

18.3 The Senior Sponsor's PMO will liaise regularly with the Agency's PMO to review financial performance against plans, achievement against targets and expenditure against its DEL and AME allocations. The Senior Sponsor will also take the opportunity to explain wider policy developments that might have an impact on the Agency through the monthly meetings with the Agency's Chief Executive.

19. Shared services

19.1. The department's operating model provides a range of corporate functions as shared services across its directorates, including to its executive agencies. The quality of service provision will be reviewed at regular intervals, based on agreed service standards and KPIs.

19.2 Any issues, including any charging for these services, will be discussed between the Chief Executive or nominated director and the Director General or director responsible for the relevant shared service.

20. Delegated authorities

20.1 The PAO will delegate budgetary and commercial authority in writing to the Director General for ESD who in turn will delegate budgetary and commercial authority on an annual basis in writing to the Agency's AO. This letter issued at the start of the financial year will set out responsibility for all financial matters relating to the delivery of the Agency's outcomes. The Agency shall comply with the financial delegations set out in this letter.

20.2 The Agency's AO is accountable for the effective spend and management of budgets allocated to the Agency. This includes ensuring commercial policy, standards and controls are adhered to. The Agency will have effective financial management and governance arrangements agreed by the AO and consistent with the department's controls, through which expenditure is managed.

20.3 The Agency shall obtain the department's prior written approval before:

- entering into any undertaking to incur any expenditure that falls outside the delegations or which is not provided for in the Agency's annual budget as approved by the department
- incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications
- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the department
- making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required
- carrying out policies that go against the principles, rules, guidance and advice in 'Managing Public Money'.

21. Broad responsibilities for staff

21.1 Within the arrangements approved by the Minister [and HM Treasury] the Agency will have responsibility for the recruitment, retention and motivation of its staff. The broad responsibilities toward its staff are to ensure that:

- the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement is based on merit: there is no discrimination on grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation

- the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness
- the performance of its staff at all levels is satisfactorily appraised and the Agency's performance measurement systems are reviewed from time to time
- its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the Agency's objectives
- proper consultation with staff takes place on key issues affecting them
- adequate grievance and disciplinary procedures are in place
- whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place
- a code of conduct for staff is in place based on the Cabinet Office's [Model Code for Staff of Executive Non-departmental Public Bodies](#).

Staff costs

21.2 Subject to its delegated authorities, the Agency shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them.

Pay and conditions of service

21.3 The Agency should have regard to chapter 5 of the Cabinet Office's [Public Bodies: A Guide for Departments](#) that provides guidance on staff issues in public bodies. The Agency's staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by the Senior Sponsor [and the Treasury]. The Agency has no delegated power to amend these terms and conditions.

21.4 If civil service terms and conditions of service apply to the rates of pay and non-pay allowances paid to the staff and to any other party entitled to payment in respect of travel expenses or other allowances, payment shall be made in accordance with the [Civil Service Management Code](#) except where prior approval has been given by the department to vary such rates.

21.5 Staff terms and conditions should be set out in an Employee Handbook, which should be provided to the Agency by the department together with subsequent amendments.

21.6 The Agency shall operate a performance-related pay scheme that shall form part of the annual aggregate pay budget approved by the department or the general pay structure approved by the department and the Treasury whichever is applicable.

21.7 The travel expenses of board members shall be tied to the rates allowed to senior staff of the Agency or departmental rates [whichever is applicable]. Reasonable actual costs shall be reimbursed.

21.8 The Agency shall comply with the EU Directive on contract workers – the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations.

Pensions, redundancy and compensation

21.9 Any proposal by the Agency to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of office, requires the prior approval of the department. Proposals on severance must comply with the rules in chapter 4 of Managing Public Money.

22. Review of Agency's status (and winding-up arrangements)

22.1 In line with Cabinet Office policy for the tailored reviews of public bodies, the Agency will undergo its first tailored review no later than March 2020. It will then be reviewed at least once in the lifetime of each Parliament or sooner in the event of a significant change in the scope or direction of its primary aims. These reviews ensure that the Agency is delivering effectively against its aims and objectives. The tailored review will be carried out in line with the Cabinet Office [policy for the tailored reviews of public bodies](#).

23. Arrangements in the event that the Agency is wound up

23.1 The department shall put in place arrangements to ensure the orderly winding up of the Agency. In particular, it should ensure that the assets and liabilities of the Agency are passed to any successor organisation and accounted for properly. In the event that there is no successor organisation, the assets and liabilities should revert to the ESD. To this end, the department shall:

- ensure that procedures are in place in the Agency to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work inherited by any residuary body

- specify the basis for the valuation and accounting treatment of the Agency's assets and liabilities
- ensure that arrangements are in place to prepare closing accounts and pass to the C&AG for external audit, and that, for non-Crown bodies funds are in place to pay for such audits. It shall be for the C&AG to lay the final accounts in Parliament, together with his report on the accounts
- arrange for the most appropriate person to sign the closing accounts. In the event that another Agency takes on the role, responsibilities, assets and liabilities, the succeeding Agency's AO should sign the closing accounts. In the event that the department inherits the role, responsibilities, assets and liabilities, the Senior Sponsor should sign.

23.2 The Agency shall provide the department with full details of all agreements where the Agency or its successors have a right to share in the financial gains of developers. It should also pass to the department details of any other forms of claw-back due to the Agency.

Appendix 1. Government corporate guidance and instructions

The Agency shall comply with the following general guidance documents and instructions:

- This Framework Document
- Appropriate adaptations of sections of [Corporate Governance in Central Government Departments: Code of Good Practice](#)
- [Code of Conduct for Board Members of Public Bodies](#)
- [Guidance for Ministerial Appointments to Public Bodies](#)
- [Managing Public Money](#), including:
 - Chapter 6, Fees and Charges Guide;
 - Annex 5.6, Departmental Banking: A Manual for Government Departments
- [Public Sector Internal Audit Standards](#)
- [Management of Risk: Principles and Concepts](#)
- [HM Treasury Guidance on Tackling Fraud](#)
- [Government Financial Reporting Manual](#)
- Relevant [Dear Accounting Officer letters](#)
- [Regularity, Propriety and Value for Money](#)
- The Parliamentary and Health Service Ombudsman's [Principles of Good Administration](#)
- [Partnerships between Departments and Arm's Length Bodies: Code of Good Practice](#)
- Consolidation Officer Memorandum, and relevant DCO letters
- Relevant Freedom of Information Act guidance and instructions (Ministry of Justice)
- [Model Code for Staff of Executive Non-departmental Public Bodies](#)
- other relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts

- other relevant guidance and instructions issued by the Treasury in respect of Whole of Government Accounts
- Other relevant instructions and guidance issued by central departments
- Specific instructions and guidance issued by the department
- Recommendations made by the Public Accounts Committee, or by other Parliamentary authority, that have been accepted by the Government and relevant to the Agency

Signed..... *Nikhil Gupta*
 Date..... *28 March 2018*
 (On behalf of the department)

Signed..... *Alan L Maynard*
 Date..... *28/3/18*
 (On behalf of the Agency)

Signed..... *S. D. ...*
 Date..... *28/3/18*
 (On behalf of the department)



Teaching Regulation Agency

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