

**To: Heads of higher education  
institutions in Wales providing Initial  
Teacher Training**

Reference: W06/17HE  
Date: 31 May 2006  
Response By: 10 November 2006  
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## **INITIAL TEACHER TRAINING (ITT) STRATEGIC FUNDING: 2006/07 ALLOCATIONS AND ANNUAL MONITORING STATEMENT 2006**

This circular sets out the allocations to be made to institutions in 2006/07 to support ITT developments through the ITT Strategic Funding mechanism. It also provides individual institutional annual monitoring statements for reporting progress in 2005/06 and updating plans for 2006/07 in line with Circular W06/15HE, *Strategic planning and related requests 2006*.

### **BACKGROUND**

In 2003/04 we brought into a single funding mechanism three separate ITT funding streams, namely (a) National Curriculum for Information and Communications Technology; (b) Teaching Welsh as a second language to trainee teachers, and (c) Teacher Training Recruitment Scheme (TTRS).

The new approach was designed to enhance institutional autonomy in ITT strategic planning, helping to align institutional planning processes with the priorities of HEFCW, Estyn, and the Welsh Assembly Government. Information from institutional ITT plans and progress reports also provides a basis for us to assess our ability to achieve the targets outlined in the HEFCW corporate strategy and plan. We committed to funding for a period of three years in the first instance, 2003/04 to 2005/06. To access this funding, ITT providers submitted a three-year strategic plan for ITT provision, developed in line with Circular W03/62HE, *ITT Strategic Plans: Guidelines for Institutional Submissions*. Progress is reported through the Council's Annual Monitoring Statement (AMS) process.

We originally intended to ask institutions to submit revised plans for the next three-year period from 2006/07. However, we recognise that this would not be sensible in the light of the Welsh Assembly Government review of ITT (the Furlong Report) and the Minister's

response to the report. Significant changes will need to take place in the ITT sector over the next few years, including reductions in intakes and the reconfiguration of provision. Institutions will not be able to undertake longer-term planning until the future shape of the sector is clearer. As you are aware, we therefore decided to roll forward the existing ITT strategy arrangements for another year.

## **ITT STRATEGIC PLANS 2006/07 ALLOCATIONS**

Allocations for 2006/07 are set out in **Annex A**. The sum available for ITT Strategy Funding for 2006/07, including TTRS allocations, is £1,131,380. There is also an additional ITT Partnership allocation of £254,010 (see below).

Please note the following components in the allocations in particular, reflecting these in your plans for 2006/07 as appropriate.

### **i) Teacher Training Recruitment Scheme Allocation (TTRS)**

The marketing and student hardship elements of the TTRS were incorporated directly into the ITT strategic funding allocation (see Circular W04/41HE). However, the undergraduate (UG) student placement grant element of the TTRS allocation remains outside this mechanism and continues at present to be identified as a ring-fenced allocation to ITT providers of secondary UG provision. UG placement grants are paid as part of the ITT strategic funding allocations, but should remain ring fenced within institutional financial processes as this funding is to be forwarded directly by the institution to eligible UG students.

### **ii) Additional Inspectors**

Circular W05/03HE, *Initial Teacher Training: Additional Inspectors*, January 2005, notified the sector that HEFCW would, with the support of Estyn, withdraw from administering the nomination, training and deployment of Estyn additional inspectors from September 2005. We agreed to continue to contribute funding for this activity by uplifting the ITT strategy funding from 2005/06 onwards by £30,000. We expect this funding to be used to facilitate the participation of staff from HEIs and school partnerships as Estyn additional inspectors or peer assessors for ITT provision. Some of the funding should be set aside to pass on to partnership schools for the training or deployment of staff, as required. Providers should also use the funding to address Estyn priorities and the outcomes of Estyn inspections. We will monitor involvement in this area over the course of the Estyn inspection cycle through the AMS process.

### **iii) ITT Partnership**

In 2005/06, the Welsh Assembly Government responded to the over-production of primary school teachers by reducing HE primary ITT intake targets by 5% and indicated that further cuts would follow in 2006/07. An earlier ITT Partnership Study undertaken for HEFCW reported that many ITT providers subsidise their secondary phase

provision by recruiting well to primary phase provision. We recognised that reductions in primary targets might therefore impact upon the viability of some smaller departments and institutions, including those offering Welsh Medium provision, and on supporting and maintaining ITT partnership. The Council agreed to a one-off allocation of additional funding to be distributed with the ITT strategic funding in 2005/06 to ensure the ongoing viability of ITT provision until the outcomes of the ITT review being commissioned at the time by the Welsh Assembly Government were known.

The Welsh Assembly Government has applied a further 5% cut to primary intake targets, as well as a 5% cut to secondary targets, in 2006/07 and the outcome of the Review of ITT is that there will be a substantially reduced intake by 2010/11 and reconfiguration of the ITT sector. The concerns which prompted the compensatory allocations in 2005/06 therefore remain. In the light of these factors, the Council has agreed that a similar one-off additional allocation be made in 2006/07 as an interim measure while the timetable for taking forward the reconfiguration of ITT is finalised. The sum available is £254,010. As in 2005/06, the funding will be allocated pro-rata to institutional ITT funded credits. No institution will receive less than £25,000 or more than £50,000. You should use this funding to ensure the continuing viability of your ITT provision and to support ITT partnership. We will ask you to account for expenditure through the 2007 AMS.

ITT strategic funding allocations, including the additional ITT Partnership allocation, will be paid in two equal instalments in September 2006 and March 2007. We will confirm release of the March 2007 payment subject to the receipt of a satisfactory Annual Monitoring Statement in November 2006.

## **2006 ANNUAL MONITORING STATEMENT**

Circular W05/26HE, *Initial teacher training strategic funding mechanism: progress report and allocations for 2005/06* (May 2005), set out the arrangements for the ITT Strategic Funding allocations for 2005/06. Institutions reported on 2004/05 progress and expenditure and confirmed plans for 2005/06 through the Council's Annual Monitoring Statement (AMS) process in July 2005.

This letter sets out arrangements for reporting on progress for 2005/06 and for rolling forward plans for 2006/07 through the Annual Monitoring Statement.

The Annual Monitoring Statement form for your institution for 2006 is attached. We have prepared an individual form for each institution, based on information provided on last year's AMS. The AMS form asks you to:

- report progress against performance indicators for 2005/06;
- provide revised performance indicators and expenditure plans for 2006/07 which will form the basis of next year's AMS;

- complete a declaration of expenditure to confirm that the 2005/06 allocation has been fully spent and used for the purposes for which it was provided. This should be signed by the head of the institution.

If you did not include performance indicators/expenditure plans for the additional ITT partnership allocation within your overall plans for 2005/06 as set out in last year's AMS, please also provide a brief statement, signed by the head of the institution, on how you have used the additional ITT partnership allocation.

Please return the signed AMS for 2006 to HEFCW by **10 November 2006**, as set out in Circular W06/15HE.

Yours sincerely

Philip Gummett

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INITIAL TEACHER TRAINING (ITT) STRATEGIC FUNDING:  
2006/07 ALLOCATIONS AND ANNUAL MONITORING  
STATEMENT 2006

**31 May 2006**

**Ref: W06/17HE**

To: Heads of higher education institutions in  
Wales providing Initial Teacher Training

Summary: This circular sets out the allocations to  
be made to institutions in 2006/07 to  
support ITT developments through the  
ITT Strategic Funding mechanism.

Response by: 10 November 2006

Further information: Contact: Alison Allan  
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E-mail: [alison.allan@hefcw.ac.uk](mailto:alison.allan@hefcw.ac.uk)

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## INTRODUCTION

- 1 This circular sets out the allocations to be made to institutions in 2006/07 to support ITT developments through the ITT Strategic Funding mechanism. It also provides individual institutional annual monitoring statements for reporting progress in 2005/06 and updating plans for 2006/07 in line with Circular W06/15HE, *Strategic planning and related requests 2006*.

## BACKGROUND

- 2 In 2003/04 we brought into a single funding mechanism three separate ITT funding streams, namely (a) National Curriculum for Information and Communications Technology; (b) Teaching Welsh as a second language to trainee teachers, and (c) Teacher Training Recruitment Scheme (TTRS).
- 3 The new approach was designed to enhance institutional autonomy in ITT strategic planning, helping to align institutional planning processes with the priorities of HEFCW, Estyn, and the Welsh Assembly Government. Information from institutional ITT plans and progress reports also provides a basis for us to assess our ability to achieve the targets outlined in the HEFCW corporate strategy and plan. We committed to funding for a period of three years in the first instance, 2003/04 to 2005/06. To access this funding, ITT providers submitted a three-year strategic plan for ITT provision, developed in line with Circular W03/62HE, *ITT Strategic Plans: Guidelines for Institutional Submissions*. Progress is reported through the Council's Annual Monitoring Statement (AMS) process.
- 4 We originally intended to ask institutions to submit revised plans for the next three-year period from 2006/07. However, we recognise that this would not be sensible in the light of the Welsh Assembly Government review of ITT (the Furlong Report) and the Minister's response to the report. Significant changes will need to take place in the ITT sector over the next few years, including reductions in intakes and the reconfiguration of provision. Institutions will not be able to undertake longer-term planning until the future shape of the sector is clearer. As you are aware, we therefore decided to roll forward the existing ITT strategy arrangements for another year.

## ITT STRATEGIC PLANS 2006/07 ALLOCATIONS

- 5 Allocations for 2006/07 are set out in **Annex A**. The sum available for ITT Strategy Funding for 2006/07, including TTRS allocations, is £1,131,380. There is also an additional ITT Partnership allocation of £254,010 (see below).
- 6 Please note the following components in the allocations in particular, reflecting these in your plans for 2006/07 as appropriate.

### Teacher Training Recruitment Scheme Allocation (TTRS)

1. The marketing and student hardship elements of the TTRS were incorporated directly into the ITT strategic funding allocation (see Circular W04/41HE). However, the undergraduate (UG) student placement grant element of the TTRS

allocation remains outside this mechanism and continues at present to be identified as a ring-fenced allocation to ITT providers of secondary UG provision. UG placement grants are paid as part of the ITT strategic funding allocations, but should remain ring fenced within institutional financial processes as this funding is to be forwarded directly by the institution to eligible UG students.

### **Additional Inspectors**

- II. Circular W05/03HE, *Initial Teacher Training: Additional Inspectors*, January 2005, notified the sector that HEFCW would, with the support of Estyn, withdraw from administering the nomination, training and deployment of Estyn additional inspectors from September 2005. We agreed to continue to contribute funding for this activity by uplifting the ITT strategy funding from 2005/06 onwards by £30,000. We expect this funding to be used to facilitate the participation of staff from HEIs and school partnerships as Estyn additional inspectors or peer assessors for ITT provision. Some of the funding should be set aside to pass on to partnership schools for the training or deployment of staff, as required. Providers should also use the funding to address Estyn priorities and the outcomes of Estyn inspections. We will monitor involvement in this area over the course of the Estyn inspection cycle through the AMS process.

### **ITT Partnership**

- III. In 2005/06, the Welsh Assembly Government responded to the over-production of primary school teachers by reducing HE primary ITT intake targets by 5% and indicated that further cuts would follow in 2006/07. An earlier ITT Partnership Study undertaken for HEFCW reported that many ITT providers subsidise their secondary phase provision by recruiting well to primary phase provision. We recognised that reductions in primary targets might therefore impact upon the viability of some smaller departments and institutions, including those offering Welsh Medium provision, and on supporting and maintaining ITT partnership. The Council agreed to a one-off allocation of additional funding to be distributed with the ITT strategic funding in 2005/06 to ensure the ongoing viability of ITT provision until the outcomes of the ITT review being commissioned at the time by the Welsh Assembly Government were known.

The Welsh Assembly Government has applied a further 5% cut to primary intake targets, as well as a 5% cut to secondary targets, in 2006/07 and the outcome of the Review of ITT is that there will be a substantially reduced intake by 2010/11 and reconfiguration of the ITT sector. The concerns which prompted the compensatory allocations in 2005/06 therefore remain. In the light of these factors, the Council has agreed that a similar one-off additional allocation be made in 2006/07 as an interim measure while the timetable for taking forward the reconfiguration of ITT is finalised. The sum available is £254,010. As in 2005/06, the funding will be allocated pro-rata to institutional ITT funded credits. No institution will receive less than £25,000 or more than £50,000. You should use this funding to ensure the continuing viability of your ITT provision and to support ITT partnership. We will ask you to account for expenditure through the 2007 AMS.

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## **2006 ANNUAL MONITORING STATEMENT**

- 8 Circular W05/26HE, *Initial teacher training strategic funding mechanism: progress report and allocations for 2005/06* (May 2005), set out the arrangements for the ITT Strategic Funding allocations for 2005/06. Institutions reported on 2004/05 progress and expenditure and confirmed plans for 2005/06 through the Council's Annual Monitoring Statement (AMS) process in July 2005.
- 9 This letter sets out arrangements for reporting on progress for 2005/06 and for rolling forward plans for 2006/07 through the Annual Monitoring Statement.
- 10 The Annual Monitoring Statement form for your institution for 2006 is attached. We have prepared an individual form for each institution, based on information provided on last year's AMS. The AMS form asks you to:
  - 11 report progress against performance indicators for 2005/06;
  - 12 provide revised performance indicators and expenditure plans for 2006/07 which will form the basis of next year's AMS;
  - 13 complete a declaration of expenditure to confirm that the 2005/06 allocation has been fully spent and used for the purposes for which it was provided. This should be signed by the head of the institution.
  - 14 If you did not include performance indicators/expenditure plans for the additional ITT partnership allocation within your overall plans for 2005/06 as set out in last year's AMS, please also provide a brief statement, signed by the head of the institution, on how you have used the additional ITT partnership allocation.
- 15 Please return the signed AMS for 2006 to HEFCW by **10 November 2006**, as set out in Circular W06/15HE.

Yours sincerely

Philip Gummett

## Annex A

## ITT STRATEGIC FUNDING ALLOCATIONS 2006/07

<b>Institution</b>	<b>Teacher Training Recruitment Scheme (TTRS) Secondary Undergraduate Placement Grants*</b> £	<b>Main ITT Strategy Funding</b> £	<b>Additional ITT Partnership Funding</b> £	<b>Total</b> £
University of Wales, Aberystwyth	0	54,625	25,000	79,625
University of Wales, Bangor	50,000	137,409	42,535	229,944
University of Wales Institute, Cardiff	152,000	190,552	50,000	392,552
University of Wales, Newport	136,000	97,605	30,213	263,818
North East Wales Institute of Higher Education	0	43,192	25,000	68,192
Swansea Institute of Higher Education	0	159,005	50,000	209,005
Trinity College Carmarthen	10,000	100,992	31,262	142,254
<b>Total</b>	<b>348,000</b>	<b>783,380</b>	<b>254,010</b>	<b>1,385,390</b>

\*Note: The TTRS UG Placement Grant allocation for 2006/07 will be paid with the ITT Strategy Funding but must be

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<b>Total</b>	348,000	783,380	254,010	1,385,390

**\*Note: The TTRS UG Placement Grant allocation for 2006/07 will be paid with the ITT Strategy Funding but must be ringfenced by institutions for distribution to UG trainees**