
Office of Her Majesty's Chief Inspector of Schools in England

Introduction

1. The Office of Her Majesty's Chief Inspector of Schools in England (Ofsted) was established on 1 September 1992 under the Education (Schools) Act 1992 (now the School Inspections Act 1996). Her Majesty's Chief Inspector (HMCI) has a general responsibility to keep the Secretary of State for Education and Skills informed about the quality, standards and financial efficiency of schools and nursery providers in England and the development of pupils within those schools. HMCI is also responsible for the regulation of childcare and early education including the registration and inspection of providers, the investigation of complaints against providers and the enforcement of any action, the inspection of maintained schools and the monitoring of schools causing concern, the inspection of independent schools, further education for students up to age 19 including college inspections, connexions area-wide and youth service inspections, Initial and Further Education Teacher Training inspection and of Local Education Authorities (LEAs).
2. In addition, HMCI's remit also includes giving advice, inspecting and reporting on matters relating to education in general and on issues or institutions as requested by the Secretary of State; running the system of inspection of schools and of other educational institutions, funded nursery providers and LEAs in England; and other functions required by the Secretary of State. HMCI also gives advice based on inspection of teacher training and education (initial and in-service) to the Secretary of State and the Teacher Training Agency. Other responsibilities are specified in the School Inspections Act 1996, the Further and Higher Education Act 1992, the Education Acts 1994 and 1997, the School Standards and Framework Act 1998, the Teaching and Higher Education Act 1998, the Care Standards Act 2000, the Learning and Skills Act 2000 and the Education Act 2002.
3. The Estimate covers one Request for Resource (RfR 1): To help improve the quality and standards of education and childcare through independent inspection, regulation and advice. The RfR 1 consists of the Departmental Expenditure Limit (DEL) which includes the costs of inspections carried out by Her Majesty's Inspectors (HMI), Childcare Inspectors (CCI) and by contractors, the regulation of childcare, the provision of advice to the Department for Education and Skills and other departments, the publication of reports and advice on best practice, provision of publicity materials, commissioned research relevant to Ofsted's responsibilities and running invitation conferences. The RfR also contains other associated non-cash items.
4. Expenditure contained in the Estimate is explained in the Ofsted Departmental Report 2004 (Cm 6203).
5. Symbols are explained in the Introduction to this booklet.

Part I

	£
Request for Resources 1: Improving the quality and standards of education and childcare through independent inspection regulation and advice	194,860,000
Total net resource requirement	194,860,000
Net cash requirement	191,659,000

Amounts required in the year ending 31 March 2005 for expenditure by the Office of Her Majesty's Chief Inspector of Schools in England on:

RfR1: Improving the quality and standards of education and childcare through independent inspection regulation and advice

the inspection of schools, other educational institutions, early education providers, local education authorities, teacher training (institutions and in-service training) and regulation of childcare for young children as well as the inspection of education for 16 to 19 year olds and associated non-cash items.

The **Office of Her Majesty's Chief Inspector of Schools in England** will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to complete
	£	£	£
RfR 1	194,860,000	93,150,000	101,710,000
Total net resource requirement	194,860,000	93,150,000	101,710,000
Net cash requirement	191,659,000	93,137,000	98,522,000

Part II: Subhead detail

£'000

2004-05						2003-04 Provision	2002-03 Outturn		
Resources						Capital		Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- operating A in A		
1	2	3	4	5	6	7	8	9	10
RfR 1: Improving the quality and standards of education and childcare through independent inspection regulation & advice									
30,095	170,016	-	200,111	5,251	194,860	600	-	208,635	201,292
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration and Inspection									
30,095	170,016	-	200,111	5,251	194,860	600	-	208,635	201,292
Total for Estimate:									
30,095	170,016	-	200,111	5,251	194,860	600	-	208,635	201,292

Part II: Resource to cash reconciliation

	2004-05		2003-04		2002-03	
	Provision		Provision		Outturn	
	£'000					
Net Total Resources		194,860		208,635		201,292
Voted capital items						
Capital		600		3,350		5,276
Less Non-operating A-in-A		-		1,592		-
Total net voted capital		600		1,758		5,276
Accruals to cash adjustment						
Adjustments to remove non-cash items:						
Cost of Capital charges		-688		-228		-220
Depreciation		-3,072		-2,672		-3,544
New provisions and adjustments to previous provisions		-		-		-
Profit/loss on sale of assets		-		-		-
Prior period adjustments		-		-		-
Other non-cash items		-30		-30		-62
Increase (+) / Decrease (-) in stock		-		-		-
Increase (+) / Decrease (-) in debtors		138		-		861
Increase (-) / Decrease (+) in creditors		-149		-		3,440
Use of provisions		-		-		-
Total accruals to cash adjustments		-3,801		-2,930		475
Excess cash to be CFERd		-		-		-
Net Cash Requirement		191,659		207,463		207,043

Part III: Extra receipts payable to the Consolidated Fund

In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):-

	2004-05		2003-04		2002-03	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
	£'000					
Operating income not classified as AinA	1	<i>1</i>	1	<i>1</i>	-	-
Non-operating income not classified as AinA	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	1	<i>1</i>	1	<i>1</i>	-	-

Forecast Operating Cost Statement

	2004-05 Provision	2003-04 Provision	2002-03 Outturn	£'000
Net administration costs:				
RfR 1	30,000	30,000		29,564
Net programme costs:				
RfR 1	164,859	178,634	171,728	
Total net programme costs	164,859	178,634	171,728	171,728
Total Net Operating Cost	194,859	208,634		201,292
<i>of which:</i>				
Net Resource Outturn	194,860	208,635		201,292
CFERs	-1	-1		-
Non-voted expenditure	-	-		-
Resource Budget Outturn	194,860	208,635		201,292

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2004-05	2003-04	2002-03
	Provision	Provision	Outturn
Net Resource Outturn (Estimates)	194,860	208,635	201,292
<i>Adjustments to remove:</i>			
provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
non-voted expenditure in the OCS	-	-	-
Consolidated Fund Extra Receipts in the OCS	-1	-1	-
Other adjustments	-	-	-
Net Operating Cost (Accounts)	194,859	208,634	201,292
<i>Adjustments to remove:</i>			
capital grants to local authorities	-	-	-
capital grants financed from the Capital Modernisation Fund	-	-	-
European Union income and related adjustments	-	-	-
voted expenditure outside the budget	-	-	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	1	1	-
resource consumption of non departmental public bodies	-	-	-
unallocated resource provision	-	-	-
Other adjustments	-	-	-
Resource Budget Outturn (Budget)	194,860	208,635	201,292
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	194,860	208,635	201,292
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2004-05	2003-04	2002-03
	Provision	Provision	Outturn
Net Voted Capital Outturn (Estimates)	600	1,758	5,276
<i>Adjustments to remove:</i>			
gains / losses from sale of capital assets	-	-	-
<i>Adjustments to additionally include:</i>			
other Consolidated Fund Extra Receipts	-	-	-
capital spending by non-departmental public bodies	-	-	-
capital grants to local authorities	-	-	-
capital grants financed by the Capital Modernisation Fund	-	-	-
local authority credit approvals	-	-	-
capital spending by levy funded bodies	-	-	-
unallocated capital provision	-	-	-
Other adjustments	-	-	-
Capital Budget Outturn (Budget)	600	1,758	5,276
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	600	1,758	5,276
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate *(continued)*

Explanation of Accounting Officer responsibilities

The Permanent Head of the Office of Her Majesty's Chief Inspector of Schools in England (Mr David Bell) is Principal Accounting Officer with overall responsibility for preparing the Department's Estimate.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in Government Accounting.

Analysis of appropriations in aid (A in A)

	£'000					
	2004-05 provision		2003-04 provision		2002-03 outturn	
	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A	Operating A in A	Non- operating A in A
RfR 1: Improving the quality and standards of education and childcare through independent inspection regulation and advice						
Income from sales/services	16	—	16	—	—	—
Sale of publications	192	—	—	—	—	—
Registration fees	4,948	—	2,877	—	2,520	—
Receipts from secondee salary costs	—	—	—	—	—	—
Official cars – private use	60	—	60	—	85	—
Property charges – minor occupier	—	—	—	—	—	—
Receipts from personal telephone costs	5	—	5	—	5	—
Income from sale of assets	30	—	30	1,592	30	—
Total RfR 1	5,251*	—	2,988	1,592	2,640	—
Total A in A	5,251*	—	2,988	1,592	2,640	—

*Amount that may be applied as appropriations in aid in addition to the net total, arising from recoveries of the cost of staff seconded out to other bodies; cost of services provided to other departments, non-departmental public and other bodies; use of official cars; sale of assets, property charges made to minor occupiers, registration fees (including fees from childcare providers); and charges for training of inspectors other than Ofsted staff; and recovery of personal telephone costs; and the sale of training material and licences.

Notes to the Main Estimate *(continued)*

Analysis of Consolidated Fund extra receipts

	£'000					
	2004-05 provision		2003-04 provision		2002-03 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Miscellaneous – CFER	1	<i>1</i>	1	<i>1</i>	—	—
Total	1	<i>1</i>	1	<i>1</i>	—	—

Notes to the Main Estimate *(continued)*

Administration costs limits and Departmental Expenditure Limits

Administration costs limits £'000

	Gross provision	Income	Total administration costs limit
Gross administration costs limits	30,095	–95	30,000
Net administration costs limits	—	—	—

Departmental Expenditure Limits (DEL) £'000

	Voted*	Non-voted	Total
Resource DEL	194,860	—	194,860
Capital DEL	600	—	600
Less depreciation	–3,072	—	–3,072
Total DEL	192,388	—	192,388

- * i. Capital DEL includes items treated as resource in Estimates and Accounts, but which are treated as part of Capital DEL, under stage 2 of Resource Accounting and Budgeting, as implemented in the 2002 Spending Review
 ii. Excludes EU receipts included in Estimates, but excluded in Budgets

Comparisons of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2004-05 of £194,860,000 is 6.6 per cent lower than the final net provision and forecast outturn for 2003-04 of £208,635,000.

Cash which may be retained to offset expenditure

£'000

Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been or will be appropriated in aid.

	2004-2005 provision	2003-2004 provision	2002-2003 outturn
	5,251	2,988	—

