
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 Schools 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 independent schools, further education for students up to age 19 including college inspections, inspection of initial and Further Education Teacher Training, connexions, area-wide and youth service inspections of Local Education Authorities (LEAs) and following the enactment of the Children's Services Act 2004 the integration of these inspections with those of other Inspectorates. The way in which inspections are undertaken will also be subject to the passage of the Education Bill.
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 of 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 Schools Inspections Act 1996, the Further and Higher Education Act 1992, the Education Acts 1994 and 1997, the Schools 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. Expenditure contained in this Estimate is explained in the Ofsted Departmental Report 2005 (Cm 6523).
4. Symbols are explained in the Introduction to this booklet.

Part I

	£
Request for Resource 1: Improving the quality and standards of education and childcare through independent inspection regulation and advice	220,000,000
Total net resource requirement	220,000,000
Net cash requirement	216,799,000

Amounts required in the year ending 31 March 2006 for expenditure by the Office of Her Majesty's Chief Inspector of Schools in England on:

RfR 1: 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	220,000,000	87,687,000	132,313,000
Total net resource requirement	220,000,000	87,687,000	132,313,000
Net cash requirement	216,799,000	86,247,000	130,552,000

Part II: Subhead detail

£'000

2005-06						2004-05 Provision	2003-04 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									
24,765	200,486	-	225,251	5,251	220,000	600	-	212,935	208,635
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A Administration and Inspection									
24,765	200,486	-	225,251	5,251	220,000	600	-	212,935	208,635
Total for Estimate:									
24,765	200,486	-	225,251	5,251	220,000	600	-	212,935	208,635

Part II: Resource to cash reconciliation

	2005-06		2004-05		2003-04	
	Provision		Provision		Outturn	
Net Total Resources	220,000		212,935		208,635	
Voted capital items						
Capital	600		1,309		3,350	
Less Non-operating A-in-A	-		-		1,592	
Total net voted capital	600		1,309		1,758	
Accruals to cash adjustment						
Adjustments to remove non-cash items:						
Cost of Capital charges	-688		-250		-228	
Depreciation	-3,072		-3,144		-2,672	
New provisions and adjustments to previous provisions	-		-		-	
Profit (+) / loss (-) on sale of assets	-		-		-	
Prior period adjustments	-		-		-	
Other non-cash items	-30		-50		-30	
Increase (+) / Decrease (-) in stock	-		-		-	
Increase (+) / Decrease (-) in debtors	138		138		-	
Increase (-) / Decrease (+) in creditors	-149		-149		-	
Use of provisions	-		-		-	
Total accruals to cash adjustments	-3,801		-3,455		-2,930	
Excess cash to be CFERd	-		-		-	
Net Cash Requirement	216,799		210,789		207,463	

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):-

	2005-06		2004-05		2003-04	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as AinA	1	<i>1</i>	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>	1	<i>1</i>

Forecast Operating Cost Statement

	£'000		
	2005-06 Provision	2004-05 Provision	2003-04 Outturn
Net administration costs:			
RfR 1	24,670	24,700	24,700
Net programme costs:			
RfR 1	195,329	188,234	183,934
Total net programme costs	195,329	188,234	183,934
Total Net Operating Cost	219,999	212,934	208,634
<i>of which:</i>			
Net Resource Outturn	220,000	212,935	208,635
CFERs	-1	-1	-1
Non-voted expenditure	-	-	-
Resource Budget Outturn	220,000	212,935	208,635

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
Net Resource Outturn (Estimates)	220,000	212,935	208,635
<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	-1
Other adjustments	-	-	-
Net Operating Cost (Accounts)	219,999	212,934	208,634
<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	1
resource consumption of non departmental public bodies	-	-	-
unallocated resource provision	-	-	-
Other adjustments	-	-	-
Resource Budget Outturn (Budget)	220,000	212,935	208,635
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	220,000	212,935	208,635
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2005-06	2004-05	2003-04
	Provision	Provision	Outturn
Net Voted Capital Outturn (Estimates)	600	1,309	1,758
<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	1,309	1,758
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	600	1,309	1,758
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main Estimate *(continued)*

Explanation of Accounting Officer responsibilities

In accordance with Government Resources and Accounts Act 2000 the Treasury has made the following Accounting Officer appointment for the Request for Resources within this Estimate.

Request for Resources 1: David Bell, the Permanent Head of the Department

David Bell, as the Principal Accounting Officer (PAO) of the Office of Her Majesty's Chief Inspector of Schools in England has personal responsibility for the proper presentation of the Office of Her Majesty's Chief Inspector of Schools in England's resource accounts as prescribed in legislation or by the Treasury and their transmission to the Comptroller and Auditor General. The PAO as the permanent head, in addition to the responsibilities for the assigned RfR, remains in general overall charge of the Office of Her Majesty's Chief Inspector of Schools in England.

The responsibilities of an Accounting Officer are set out in Annex 4.1 of Government Accounting. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; and for the efficient and effective use of all available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the Office of Her Majesty's Chief Inspector of Schools in England's policies, aims and objectives; and should regularly review the effectiveness of that system.

Analysis of appropriations in aid (A in A)

£'000

	2005-06 provision		2004-05 provision		2003-04 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	—	16	—
Sale of publications	8	—	192	—	—	—
Registration fees	5,132	—	3,864	—	2,877	—
Receipts from secondee salary costs	—	—	—	—	—	—
Official cars – private use	60	—	60	—	60	—
Property charges – minor occupier	—	—	—	—	—	—
Receipts from personal telephone costs	5	—	5	—	5	—
Income from sale of assets	30	—	30	—	30	1,592
Total RfR 1	5,251*	—	4,167	—	2,988	1,592
<i>of which: Administration Budgets</i>	—	—	—	—	—	—

*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; sales and use of official cars and 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 (CFERs)

	£'000					
	2005-06 provision		2004-05 provision		2003-04 outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Miscellaneous Φ	1	1	1	1	1	1
Total	1	1	1	1	1	1

Notes to the Main Estimate *(continued)*

Departmental Expenditure Limits and Administration Budgets

£'000

Details of 2005-06 Departmental Expenditure Limits (DEL) and Administration budget limits

	Voted*	Non-voted	Total
Resource DEL	220,000	—	220,000
<i>of which: Administration Budget</i>	<i>24,670</i>	—	<i>24,670</i>
Capital DEL**	600	—	600
Less depreciation†	–3,072	—	–3,072
Total DEL	217,528	—	217,528

* Excludes EU receipts included in Estimates, but excluded in Budgets.

** 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.

† Depreciation, which forms part of resource DEL, is excluded from total DEL since capital DEL includes capital spending and to include depreciation of those assets would lead to double counting.

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

The total net resource sought for 2005-06 of £220,000,000 is 3.3 per cent higher than the final provision and forecast outturn for 2004-05 of £212,935,000.

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.

	2005-2006 provision	2004-2005 provision	2003-2004 outturn
	5,251	5,251	2,988

