

Office for Standards in Education, Children's Services and Skills

Introduction

1. This Supplementary Estimate is required for the following purposes:

		Amount (£)	
		<u>Increases</u>	<u>Reductions</u>
<u>Changes in resources</u>			
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting			
<u>Section</u>	<u>Reason for change</u>		
<u>Changes related to movements in budgets</u>			
<u>Machinery of Government changes</u>			
A1	An increase in administration costs arising from the transfer of the function of inspection of the Children and Families Court Advisory and Support Service from the Ministry of Justice, following the incorporation of the HM Inspectorate of Court Administration (HMICA) into the new OFSTED on 1 April 2007.	485,000	
<u>Transfers of budgetary cover to/from other government departments</u>			
A2	Increase in provision for inspection services relating to work-based learning and training and adult and community learning, funded in budgetary terms by a transfer from the Department for Children, Schools and Families, consequential to the incorporation of the Adult Learning Inspectorate (ALI) into the new OFSTED on 1 April 2007.	17,195,000	
A5	Increase in Appropriations-in-Aid relating to income from the inspection of work-based learning and training and adult and community learning services, funded in budgetary terms by a transfer from the Department for Children, Schools and Families, consequential to the incorporation of the Adult Learning Inspectorate (ALI) into the new OFSTED on 1 April 2007.		-1,271,000
<u>Changes in operating appropriations-in-aid (fully offset by changes in spending)</u>			
A2	Increase in provision for the inspection of post-19 provision in England on behalf of the Department of Work and Pensions	3,703,000	
A5	Increase in Appropriations-in- Aid - recognition of income from the Department of Work and Pensions		-3,703,000
		<u>Total</u>	
Total change in resources for RfR1		21,383,000	-4,974,000.
Total change in resources for Estimate			16,409,000

Changes in Capital

<u>Section</u>	<u>Reason for change</u>	<u>Increases</u>	<u>Reductions</u>
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Changes related to movements in budgets

A7	Increase in provision to meet IT and accommodation needs of staff involved in the inspection of work-based learning and training and adult and community learning services, funded in budgetary terms by a transfer from the Department for Children, Schools and Families	381,000	
		<u>Total</u>	<u>-</u>
	Total change in capital for Estimate	381,000	381,000

- As a result of the above and non-cash adjustments, there is an increase in the net cash requirement of £24,752,000.
- Symbols are explained in the Introduction to this booklet.

Office for Standards in Education, Children's Services and Skills

Part I

£

RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting	†	16,409,000
Total additional net resource requirement	†	16,409,000
Additional net cash requirement	†	24,752,000

SUPPLEMENTARY amounts required in the year ending 31 March 2008 for expenditure by the Office for Standards in Education, Children's Services and Skills on:

RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting

The registration and inspection of childcare, including child-minding and day care provision; social care services for children; children's homes, family centres, adoption and fostering services and agencies; the Children and Families Court Advisory and Support Service (CAFCASS); children's services in local authorities; maintained schools; independent schools and Independent Schools Inspectorate; initial teacher training; further education colleges and 14-19 provision; work-based learning and funded training; and adult and community learning; and associated non-cash items

The **Office for Standards in Education, Children's Services and Skills** will account for this Estimate.

† The function of inspection of the Children and Families Court Advisory and Support Service (CAFCASS) was transferred from the Ministry of Justice on 1 April 2007. Within the overall changes sought in the Estimate, the specific changes relating to this machinery of government transfer are: (a) the net resource requirement is increased by £485,000 ; and (b) the net cash requirement is increased by £485,000.

Part II: Changes proposed

Resources	Present Net Provision	Change in Gross Provision	Change in A in A	Change in Net Provision	£'000
					New Net Provision
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting					
Spending in Departmental Expenditure Limits (DEL) <i>Central Government spending</i>					
RfR 1 - A Administration and Inspection	204,400	21,383	4,974	16,409	220,809
Total RfR 1		21,383	4,974	16,409	
Total Changes to RfRs		21,383	4,974	16,409	

Capital and Cash	Present Provision	Change in Provision	£000
			New Provision
Total Capital Expenditure	600	381	981
Non-Operating A in A	-	-	-
Net cash requirement	202,339	24,752	227,091

Part II: Revised subhead detail including additional provision

Resources						Capital		£'000
1	2	3	4	5	6	7	8	
Admin	Other current	Grants	Gross Total	A in A	Net Total	Capital	Non-operating A in A	
RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting								
29,050	207,200	-	236,250	15,441	220,809	981	-	
Spending in Departmental Expenditure Limits (DEL)								
<i>Central Government spending</i>								
A Administration and Inspection								
29,050	207,200	-	236,250	15,441	220,809	981	-	
Total for Estimate:								
29,050	207,200	-	236,250	15,441	220,809	981	-	

Part II: Resource to cash reconciliation

	Present	Increase (+)/ Decrease (-)	£'000 Revised
Net Resource Requirement	204,400	16,409	220,809
Voted capital items			
Capital	600	381	981
<i>Less:</i> Non-operating A in A	-	-	-
Total net voted capital	600	381	981
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-100	-15	-115
Depreciation	-2,500	1,256	-1,244
New provisions and adjustments to previous provisions	-	-	-
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase(+)/decrease (-) in stock	-	-	-
Increase(+)/decrease (-) in debtors	88	1,872	1,960
Increase(-)/decrease (+) in creditors	-149	1,559	1,410
Use of provisions	-	3,290	3,290
Total accruals to cash adjustments	-2,661	7,962	5,301
Excess cash to be CFERd	-	-	-
Net Cash Requirement	202,339	24,752	227,091

Part III: Extra receipts payable to the Consolidated Fund

' As in existing provision'

Forecast Operating Cost Statement

	£'000
	2007-08 provision
Net Administration Costs	
RfR1	28,955
Total Net Administration Costs	28,955
Net Programme Costs	
RfR1	191,854
Total Net Programme Costs	191,854
Total Net Operating Cost	220,809
<i>of which:</i>	
Net Resource Requirement	220,809
Non-voted expenditure	-
Consolidated Fund Extra Receipts	-
Resource Budget	220,809

Notes to the Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000
	2007-08 Provision
Net Resource Requirement (Estimates)	220,809
<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	-
Other adjustments	-
Net Operating Costs (Accounts)	220,809
<i>Adjustments to remove:</i>	
Gains/losses from sale of capital assets	-
Capital grants	-
European Union income related to capital grants	-
voted expenditure outside the budget	-
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
resource consumption of non-departmental public bodies	-
unallocated resource provision	-
Other adjustments	-
Resource Budget (Budget)	220,809
<i>of which:</i>	
Departmental Expenditure Limit (DEL)	220,809
Annually Managed Expenditure (AME)	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000
	2007-08 Provision
Net Voted Capital (Estimates)	981
<i>Adjustments to additionally include:</i>	
other Consolidated Fund Extra Receipts	-
capital spending by non departmental public bodies	-
capital grants	-
European Union income related to capital grants	-
supported capital expenditure (revenue)	-
capital spending by levy funded bodies	-
unallocated capital provision	-
Other adjustments	-
Capital Budget (Budget)	981
<i>of which:</i>	
Departmental Expenditure Limits (DEL)	981
Annually Managed Expenditure (AME)	-

Notes to the Estimate (*continued*)

Explanation of Accounting Officer responsibilities

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

Request for Resources 1 Christine Gilbert, Her Majesty's Chief Inspector

Christine Gilbert as the Accounting Officer of the Office for Standards in Education, Children's Services and Skills has personal responsibility for the proper presentation of the department's resource accounts as prescribed in legislation, or by the Treasury, and their transmission to the Comptroller and Auditor General. The AO as the permanent head, remains in general overall charge of the Office for Standards in Education, Children's Services and Skills.

The responsibilities of an Accounting Officer are set out in chapter 3 of Managing Public Money. In essence these responsibilities include a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for 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 the available resources. In addition, the Accounting Officer must ensure that there is a sound system of internal control to support the achievement of the organisation's policies, aims, and objectives and should regularly review the effectiveness of that system.

Notes to the Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

£'000

2007-08
Provision

RfR 1: Serving the interests of children and young people, parents, adult learners, employers and the wider community in England by promoting improvement in the quality of education, skills and young people's care through independent inspection, regulation and reporting

Administration	95
<i>of which:</i>	
Sales of Goods and Services	95
Programme	15,346
<i>of which:</i>	
Sales of Goods and Services	15,346

Total RfR1	15,441 †
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† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: recoveries of the costs of staff seconded 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 and social care 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.

Total Operating A in A	15,441
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Notes to the Estimate (*continued*)

Departmental Expenditure Limits and Administration Budgets

	Change		New DEL		£'000
	Voted	Non-voted	Voted	Non-voted	Total
Resource DEL	16,409		220,809	-	220,809
<i>of which: †</i>					
<i>Administration budget</i>	485	-	28,955	-	28,955
<i>Near-cash in RDEL</i>	15,119	3,290	216,919	3,290	220,209
Capital††	381	-	981	-	981
Less Depreciation†††	-	-	-1,244	-	-1,244
Total	16,790	-	220,546	-	220,546

† The total of 'Administration budget' and 'Near-cash in Resource DEL' figures may well be greater than total resource DEL, due to the definitions overlapping.

†† Capital DEL includes items treated as resource in Estimates and accounts but which are treated as Capital DEL in budgets.

††† 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.

Cash which may be retained to offset expenditure

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

£'000
15,441

