
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, Initial and Further Education Teacher Training inspection, and Connexions area-wide and youth service inspections, inspections of Local Education Authorities (LEAs) and following the enactment of the Childrens Services Act 2004 the integration of these inspections with those of other inspectorates.

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 2004.

3. Expenditure contained in this Estimate is explained in the Ofsted Departmental Report 2006 (Cm 6813).

4. 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	204,000,000
Total net resource requirement	204,000,000
Net cash requirement	201,939,000

Amounts required in the year ending 31 March 2007 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	204,000,000	99,000,000	105,000,000
Total net resource requirement	204,000,000	99,000,000	105,000,000
Net cash requirement	201,939,000	97,560,000	104,379,000

Part II: Subhead detail

										£'000	
2006-07 Provision										2005-06 Provision	2004-05 Outturn
Resources							Capital Non- operating A		Net Total Resources	Net Total Resources	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	in A	9	10		
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 and advice											
28,565	179,602	-	208,167	4,167	204,000	600	-	220,000	211,535		
Spending in Departmental Expenditure Limits (DEL)											
<i>Central Government spending</i>											
A Administration and Inspection											
28,565	179,602	-	208,167	4,167	204,000	600	-	220,000	211,535		
Total for Estimate:											
28,565	179,602	-	208,167	4,167	204,000	600	-	220,000	211,535		

Part II: Resource to cash reconciliation

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Resource Requirement	204,000	220,000	211,535
Voted capital items			
Capital	600	600	2,857
Less Non-operating A-in-A	-	-	-
Total net voted capital	600	600	2,857
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-100	-688	-
Depreciation	-2,500	-3,072	-4,907
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	108	-477
Increase (-) / Decrease (+) in creditors	-149	-149	2,449
Use of provisions	-	-	-
Total accruals to cash adjustments	-2,661	-3,801	-2,935
Excess cash to be CFERd	-	-	-
Net Cash Requirement	201,939	216,799	211,457

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):

	£'000					
	2006-07		2005-06		2004-05	
	Provision		Provision		Outturn	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income not classified as A in A	1	2	1	2	-	-
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	1	2	1	2	-	-

Forecast Operating Cost Statement

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Administration Costs			
RfR 1	28,470	24,670	24,156
Total Net Administration costs	28,470	24,670	24,156
Net Programme Costs			
RfR 1	175,529	195,329	187,379
Total Net Programme costs	175,529	195,329	187,379
Total Net Operating Cost	203,999	219,999	211,535
<i>of which:</i>			
Net Resource Requirement	204,000	220,000	211,535
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-1	-1	-
Resource Budget	204,000	220,000	211,535

Notes to the Main Estimate

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Resource Requirement (Estimates)	204,000	220,000	211,535
<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)	203,999	219,999	211,535
<i>Adjustments to remove:</i>			
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	1	1	-
Resource consumption of non departmental public bodies	-	-	-
Unallocated resource provision	-	-	-
Other adjustments	-	-	-
Resource Budget (Budget)	204,000	220,000	211,535
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	204,000	220,000	211,535
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
Net Voted Capital (Estimates)	600	600	2,857
<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	-	-	-
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)	600	600	2,857
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	600	600	2,857
Annually Managed Expenditure (AME)	-	-	-

Notes to the Main 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 appointment for the Request for Resources within this Estimate.

Request for Resources 1: Maurice Smith, Permanent Head of the Department

Maurice Smith as the Accounting Officer of the Office of Her Majesty's Chief Inspector of Schools in England 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 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 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 Main Estimate (*continued*)

Analysis of operating appropriations in aid (A in A)

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
RfR 1: Improving the quality and standards of education and childcare through independent inspection regulation and advice			
Administration	95	95	390
<i>of which:</i>			
Sale of goods and services	95	95	390
Programme	4,072	5,156	3,446
<i>of which:</i>			
Sale of goods and services	4,073	5,157	3,446
CFERs	-1	-1	-
Total RfR 1	4,167†	5,251	3,836
† Amount that may be applied as operating 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.			
Total Operating A in A	4,167	5,251	3,836

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2006-07 Provision		2005-06 Provision		2004-05 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Miscellaneous Φ	1	2	1	2	-	-
Total	1	2	1	2	-	-

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	204,000	-	204,000
<i>of which:</i> *			
Administration budget	28,470	-	28,470
Near-cash in RDEL	201,400	-	201,400
Capital DEL**	600	-	600
Less Depreciation†	-2,500	-	-2,500
Total DEL	202,100	-	202,100

* The total of the '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.

Comparison of provision sought with final provision for the previous year

The total net resource sought for 2006-07 of £204,000,000 is 7.3 per cent lower than the final net provision for 2005-06 of £220,000,000.

Cash which may be retained to offset expenditure

	£'000		
	2006-07 Provision	2005-06 Provision	2004-05 Outturn
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.	4,167	5,251	3,836

