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

Introduction

1. The Office for Standards in Education, Children's Services and Skills (the new Ofsted) was established on 1 April 2007 under the Education and Inspections Act 2006. Its overall remit is to serve the interests of children, 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.
2. The new inspectorate will bring together functions previously carried out by the Office of Her Majesty's Chief Inspector of Schools in England (Ofsted); the Adult Learning Inspectorate (ALI); the children's care remit of the Commission for Social Care Inspection (CSCI), including the work of the Children's Rights Director; and the remit of HM Inspectorate of Court Administration (HMICA) for the inspection of the Children and Family Court Advisory Service (CAFCASS).
3. Thus the new Ofsted's inspection and regulatory responsibilities will include child-minding and day care; 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 and the Independent Schools Inspectorate; initial teacher training; further education colleges and 14-19 provision; work-based learning and funded training; adult and community learning.
4. The duties of Her Majesty's Chief Inspector of Education, Children's Services and Skills include:
 - (1) the general duty of keeping the Secretary of State informed about:
 - (a) the quality of activities within the Chief Inspector's remit and (where appropriate) the standards achieved by those for whose benefit such activities are carried on;
 - (b) improvements in the quality of such activities and in any such standards;
 - (c) the extent to which such activities are being carried on as user-focused activities.
 - (d) the efficient and effective use of resources in the carrying on of such activities and services
 - (2) providing the Secretary of State with information or advice, as stipulated in specific requests, on such matters relating to activities within the Chief Inspector's remit.
 - (3) giving advice at any time to the Secretary of State on any matter connected with any activities within his remit, including advice relating to a particular establishment, institution or agency.
5. In order to carry out the responsibilities of the new inspectorate a transfer of £12.4 million from the Department of Health has already been included in this Main Estimate. There will be subsequent transfers of funds to Ofsted from the Department for Education Skills and the Department for Constitutional Affairs. More details about the expenditure supporting the department's objectives are set out in the departmental report (Cm 7117)
6. Symbols are explained in the Introduction to this booklet.

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

Part I

	£
Request for Resources 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	204,400,000
Total net resource requirement	204,400,000
Net cash requirement	202,339,000

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 and arrangements for the care and support of children and young people, the inspection of all maintained and some independent schools, further education, all publicly-funded adult education and training and some privately-funded training provision, teacher training and the Children and Family Court Advisory Support Service, as well as the joint area reviews and annual performance assessments of local children's services provision and associated non-cash items.

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

	Net total	Allocated in Vote on Account	Balance to complete
RfR 1	204,400,000	91,800,000	112,600,000
Total net resource requirement	204,400,000	91,800,000	112,600,000
Net cash requirement	202,339,000	90,873,000	111,466,000

Part II: Subhead detail

£'000

2007-08 Provision						2006-07 Provision	2005-06 Outturn		
Resources						Capital	Non- operating	Net Total	Net Total
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A	Resources	Resources
1	2	3	4	5	6	7	8	9	10
RfR 1: Serving the interests of 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						600	-	216,778	234,166
28,565 186,302 - 214,867 10,467 204,400									
Spending in Departmental Expenditure Limits (DEL)									
<i>Central Government spending</i>									
A	Administration and Inspection								
28,565	186,302	-	214,867	10,467	204,400	600	-	216,778	234,166
Total for Estimate:						600	-	216,778	234,166
28,565	186,302	-	214,867	10,467	204,400				

Part II: Resource to cash reconciliation

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Resource Requirement	204,400	216,778	234,166
Voted capital items			
Capital	600	600	982
Less Non-operating A-in-A	-	600	-5
Total net voted capital	600	-	987
Accruals to cash adjustment			
Adjustments to remove non-cash items:			
Cost of Capital charges	-100	-100	694
Depreciation	-2,500	-2,500	-8,818
New provisions and adjustments to previous provisions	-	-1,000	-
Profit/loss on sale of assets	-	183	-5
Prior period adjustments	-	-	-
Other non-cash items	-	-	-50
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	88	88	-1,399
Increase (-) / Decrease (+) in creditors	-149	-149	-3,863
Use of provisions	-	9,010	3,771
Total accruals to cash adjustments	-2,661	5,532	-9,670
Excess cash to be CFERd	-	-	-
Net Cash Requirement	202,339	222,310	225,483

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					
	2007-08		2006-07		2005-06	
	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	-	-	700	700	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	-	-	-	-	-
Total	1	2	701	702	-	-

Forecast Operating Cost Statement

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Administration Costs			
RfR 1	28,470	28,470	23,576
Total Net Administration costs	28,470	28,470	23,576
Net Programme Costs			
RfR 1	175,929	188,307	210,590
Total Net Programme costs	175,929	188,307	210,590
Total Net Operating Cost	204,399	216,777	234,166
<i>of which:</i>			
Net Resource Requirement	204,400	216,778	234,166
Non-voted expenditure	-	-	-
Consolidated Fund Extra Receipts	-1	-1	-
Resource Budget	204,400	216,961	454,161

Notes to the Main Estimate (*continued*)

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Resource Requirement (Estimates)	204,400	216,778	234,166
<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)	204,399	216,777	234,166
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	183	-5
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	-	-	220,000
Resource Budget (Budget)	204,400	216,961	454,161
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	204,400	216,961	234,161
Annually Managed Expenditure (AME)	-	-	-

Reconciliation of capital expenditure between Estimates and Budgets

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
Net Voted Capital (Estimates)	600	-	987
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-700	-
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	-	-	600
<i>of which:</i>			
Capital Budget (Budget)	600	-700	1,587
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	600	-700	987
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: Christine Gilbert, Permanent Head of the Department

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 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		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
RfR 1: Serving the interests of 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	95	197
<i>of which:</i>			
Sale of goods and services	95	95	197
Programme	10,372	10,328	8,817
<i>of which:</i>			
Sale of goods and services	10,373	10,329	8,817
CFERs	-1	-1	-
Total RfR 1	10,467[†]	10,423	9,014
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: rdepartmental 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.</i>			
Total Operating A in A	10,467	10,423	9,014

Analysis of non-operating appropriations in aid (A in A)

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 Outturn
RfR 1: Serving the interests of 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	-	1,117	-
<i>of which:</i>			
Sale of assets	-	1,117	-
Programme	-	-517	-5
<i>of which:</i>			
Sale of assets	-	183	-5
CFERs	-	-700	-
Total RfR 1	-	600	-5
Total Non-Operating A in A	-	600	-5

Notes to the Main Estimate (*continued*)

Analysis of Consolidated Fund extra receipts

	£'000					
	2007-08		2006-07		2005-06	
	Provision		Provision		Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Miscellaneous Φ	1	2	1	2	-	-
Asset Sales Φ			700	700	-	-
Total	1	2	701	702	-	-

Notes to the Main Estimate (*continued*)

Departmental Expenditure Limits and Administration budgets

	£'000		
	Voted	Non-voted	Total
Resource DEL	204,400	-	204,400
<i>of which:†</i>			
Administration budget	28,470	-	28,470
Near-cash in RDEL	201,800	-	201,800
Capital DEL††	600	-	600
Less Depreciation†††	-2,500	-	-2,500
Total DEL	202,500	-	202,500

† 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 and forecast outturn for the previous year

The total net resource sought for 2007-08 of £204,400,000 is 5.7 per cent lower than the final net provision for 2006-07 of £216,778,000 and 5.5 per cent higher than the forecast outturn for 2006-07 of £193,728,000.

Cash which may be retained to offset expenditure

	£'000		
	2007-08 Provision	2006-07 Provision	2005-06 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.	10,467	11,023	9,009

