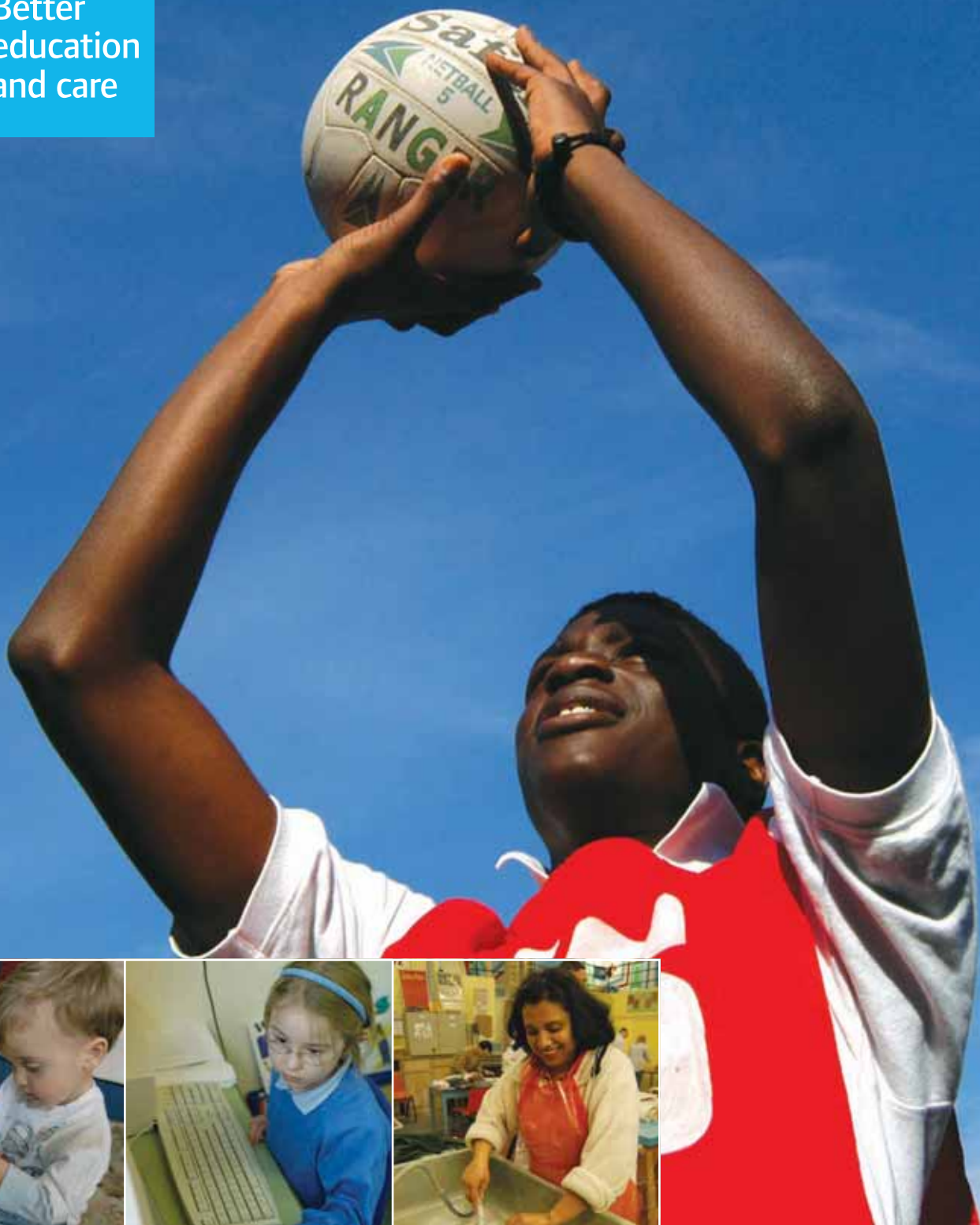


Ofsted

Ofsted Departmental Report 2005–06

Better
education
and care



Age group
All



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This document is part of a series of Departmental Reports (CM 6811 to CM 6838) which, along with the Main Estimates 2006–07, the document Public Expenditure Statistical Analyses 2006 and the Supplementary Budgetary Information 2006–07, present the Government's expenditure plans for 2005 to 2008.



Ofsted Departmental Report 2005–06

May 2006

Presented to Parliament by the Secretary of State for Education and Skills
and the Chief Secretary to the Treasury by command of Her Majesty

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Foreword

I am pleased to present my first Departmental Report as Her Majesty's Chief Inspector of Schools in England. It sets out the work that Ofsted has done during 2005–06, as well as describing the completion of a major programme of change that will allow us to meet our efficiency targets by the end of March 2008.

This report also records ways in which Ofsted is contributing to an improvement of standards in childcare and education. Mindful of the need to make inspection sharper, more proportionate and less costly, we have introduced new approaches to inspection across all of our responsibilities over the past 12 months. In addition to these changes we are also leading the groundbreaking work in inspecting children's services in local authorities.

In April 2005 we introduced a new inspection framework and a grading system for childcare that rates providers as outstanding, good, satisfactory or inadequate. By 2008, all childminders and day care providers will have been inspected under the new 'little or no notice' inspection framework. This is based on the five outcomes for children that are set out in Every Child Matters. Over one million children are placed with childminders and in nurseries every day so it is important that parents have easy access to good information about the quality of care their children are receiving.

The new school inspection system that we launched in September 2005 entails a short and focused review of the fundamentals of a school's performance and systems at an expected maximum interval of three years, integrated with school self-evaluation and improvement planning. Such inspections are carried out at very short notice and over a six-year period will require significantly fewer inspection days than were previously allocated to three-yearly inspections. Reports are provided more frequently to parents and others and I believe that the whole process stimulates more rapid improvements through more frequent contact with schools, leading to clear recommendations for action.

We have also completed the establishment of our new regional office structure and the slimmed-down headquarters operation. Through the regional network, our inspectors are able to build local links that make our inspection and its contribution to local and regional institutional improvement as strong and relevant as possible. At the same time, it is important that we retain a national perspective to enable us to report on the quality of childcare and teaching, or on the impact of government attempts to improve performance, across the country as a whole. We will, therefore, continue to strike a balance between central and regional work. With this in mind we have set up a National Business Unit (NBU), based in our Manchester office, to centralise common administrative functions and to simplify the way in which the public make contact with Ofsted.

In the second half of 2005 the Department for Education and Skills (DfES) consulted on proposals to establish Ofsted as the single inspectorate in England for children and learners. These proposals entailed bringing together with the work of Ofsted functions from the Commission for Social Care Inspection (CSCI), the Children and Family Court Advisory and Support Service (CAFCASS) inspections of HM Inspectorate of Court Administration (HMICA) and almost all the functions of the Adult Learning Inspectorate (ALI). In December 2005 the Department announced that ministers had decided to proceed with these proposals, and to ask parliament to establish the new Ofsted on 1 April 2007 with the formal title of the Office for Standards in Education, Children's Services and Skills.

I very much welcome the move towards greater integration of the work of inspectorates and local services for children. This will allow us to draw from a much wider base of evidence and to consider how the success or failure of one service can affect the performance of another. This helps us to better understand the complexity of factors that may affect outcomes for children, young people and learners. It also shows the important interrelationships between services in drawing staff together to share common targets and priorities at a strategic, operational

and individual level. The opportunity here is to improve outcomes not only by creating a corps of generalists, but also by supporting the development of confident professionals who are expert in their fields and who can work together in multidisciplinary teams.

Ofsted has a track record of delivery. Achieving the targets that we are set by parliament and ministers is fundamental to our approach. This report sets out the progress that we have made over the past 12 months, as well as our aspirations for the future. These aspirations will allow Ofsted to continue to make a real difference to the lives of millions of children and young people.

Maurice J. Smith
Her Majesty's Chief Inspector of Schools in England

About Ofsted

Purpose

Better education and care through effective inspection and regulation

Ofsted is the non-ministerial government department responsible for regulating childcare, inspecting schools, colleges and teacher education, and leading the inspection of children's services in England. Ofsted's purpose is to serve the interests of children and young people, their parents and the community by providing impartial and authoritative inspection, advice and evaluation, reporting on the quality and standards of education and childcare, and stimulating improvement in providers and the system.

Aim

Ofsted's overall aim is to contribute to better education and care through effective inspection and regulation.

This aim will be achieved through:

- establishing and implementing effective inspection and regulation frameworks that meet the needs of all of our stakeholders (young people, parents, schools, LEAs, colleges, teachers, employers and other education suppliers, and child care providers)
- developing a skilled and motivated workforce that takes pride in its work and is both innovative and accountable
- listening to children and young people and putting their needs first
- reporting without fear or favour and effectively disseminating inspection findings to better inform, educate, influence and provide advice

- focusing our resources so that inspection is increasingly differentiated according to risk, resulting in a greater impact and improvement.

Ofsted will also advise, on the basis of its evidence, on such matters as approaches to caring for and supporting children, the effectiveness of different types of educational provision and the impact of particular innovations and government strategies.

In support of our central strategic aim, we have set ourselves the goal of being a well-run organisation, using public resources efficiently and effectively, and being an exemplary employer. We aim to become a national exemplar of home-based working. We are committed to equality of opportunity and access, and to promoting all aspects of equality in our work. Our plans for race equality are set out in our *Race equality scheme*, published on our website at www.ofsted.gov.uk. We are also working towards similar schemes for disability, gender and age equality.

Values

Our values apply to everyone in the organisation from HMCI to our newest recruit. They inform the way we act, what we do and how we achieve our goals. We:

- have pride in making a difference for children and learners
- always seek to improve
- take responsibility for what we do
- trust each other and value our differences
- support one another and celebrate achievement.

Review of 2005–06

Highlights

Early Years

Ofsted helps ensure that children are safe and well cared for by registering and carrying out regular inspections of childminders and day care providers. Registration includes establishing the suitability of the provider and the premises before a provider can begin caring for children. Ofsted also checks any other adult who will have contact with children in a childminding setting. From 3 October 2005 Ofsted no longer checks the suitability of day care staff other than the manager and the registered person (in the case of a committee, all the committee members). It remains the responsibility of the registered childcare provider when employing staff to check the Protection of Children Act 1999 list through an enhanced Criminal Records Bureau (CRB) disclosure before offering someone a job looking after children. To ensure that the system is robust, Ofsted checks, during the registration process or at inspection, that the registered person has rigorous vetting and recruitment processes in place to ensure their staff are suitable to work with children. After registration Ofsted inspects day care providers and childminders regularly to ensure they continue to provide a suitable standard of care for young children, in line with the National Standards for the provision of childcare.

In April 2005 Ofsted began a three-year inspection programme of childminders and day care providers. This inspection programme introduced a new framework of inspection based on the five outcomes for children set out in Every Child Matters, by bringing within these outcomes the 14 National Standards for Childminding and Day Care. Building upon the quality grading system first used during the 2003–05 inspection programme, Ofsted introduced a set of new quality gradings (outstanding, good, satisfactory, and two levels of inadequate). This quality grading system mirrors that used by the Education Directorate and therefore allows closer cross-directorate working and integrated inspections.

Ofsted's target is to carry out between 1 April 2005 and 31 March 2008 at least one inspection of all childminding and day care provision registered at 1 April 2005. The total number of active providers as of that date is 101,614. At the end of December 2005, Ofsted had completed 26,135 inspections (including providers that subsequently resigned or had their registration cancelled) of childminders and day care providers registered at 1 April 2005. With only 4,349 of these providers still requiring inspection by the end of March 2006 (out of the first year's target of 30,484), Ofsted is well on course to meeting this target. In parallel with this inspection programme, Ofsted has continued to publish a quarterly statistical summary of early years providers and places, available on our website.

Ofsted investigates complaints made about childcare providers and childcare provision. The target is to complete within 30 working days investigations into 70% of complaints received about providers. At the end of October 2005, Ofsted had consistently exceeded this target: the completion rate for investigations of complaints received in the period April to October 2005 has been over 80%, with the peak reaching 85%. However, during November to December 2005, performance dipped, leading to a rate of 69% being recorded for December 2005. The major reorganisation of compliance investigation and enforcement teams within Ofsted's three new core regions has had a temporary impact on our capacity to maintain the previously excellent performance. This area of Ofsted's performance is identified as a priority, and by January 2006 it had recovered to 74%.

Ofsted's target to reach a decision within 12 weeks in 70% of applications for registration for childminders proved particularly difficult during the period August to December 2005. The average decision rate during this period was 62%. Some significant factors contributed to this performance: i) Ofsted's regional restructuring, moving from eight centres to three; and ii) delays in checking individuals' details. As regards Ofsted's restructuring, from February 2006, all childminder and day care applications have been processed by Ofsted's National Business Unit (NBU). By

centralising administrative staff and forming teams dedicated to completing specific functions within the overall application process, Ofsted believes that consistency of approach will result in a highly efficient and effective process. The performance of the CRB in relation to Standard Checks continues to exceed its published service standard, averaging over 99% issued within two weeks. However, its performance for Enhanced Checks has dipped below its standard of 90% within four weeks. This is due to the additional check required that is carried out by the police and which some police forces are taking longer to carry out. We are in dialogue with the CRB, which has taken a number of steps to resolve the situation. These have taken the form of a new, more robust service level agreement with each police force; upgrading of police IT systems; and the provision of additional local capacity at specific police forces. From April to July 2005, the childminder application decision rate was consistently above 70%.

As regards Ofsted's target to reach a decision within 25 weeks in 70% of applications for registration for day care providers, from April to December 2005 the rate was never below 85%, peaking in July at 92%.

Education

Ofsted is responsible for a statutory programme of inspection of maintained schools, local authorities, initial teacher training providers and independent schools. Significant changes have been successfully implemented to almost all these programmes during the year. Alongside managing the changes to these inspection programmes, Ofsted has also introduced new ways of working for inspectors. Her Majesty's Inspectors (HMI) are now managed under a regional structure and most have responsibility for managing school or college inspections in designated Local Learning and Skills Council (LLSC) areas.

In accordance with the Education Act 2005, the new arrangements for inspecting maintained schools (section 5 inspections) were implemented in September. The cycle of inspection for these schools has been reduced from six to

three years. During the autumn term 2005, over 2,000 schools were inspected, nearly as many as during the whole of the previous year.

The inspections are shorter and conducted by smaller teams at shorter notice to the school. They focus on the effectiveness of the school, particularly in relation to the five outcomes for pupils in Every Child Matters.

The inspections were successfully launched and, as planned, HMI now have a greater involvement in all school inspections; they lead a proportion of inspections and also quality assure the work of six Regional Inspection Service Providers, two in each of the regions. Feedback from schools and stakeholders has been extremely positive. The dialogue between inspectors and senior management teams and the discussions with pupils have been welcomed. The process and judgements are still considered rigorous, but cost, stress and bureaucracy have been reduced.

Building on this success, work has begun to develop a more proportionate school inspection model, which will concentrate inspection resources where they are most needed, on under-achieving schools.

The statutory inspection programme of colleges has already moved to a more differentiated model. These new arrangements, which were also implemented in the autumn term, have worked well and feedback from the sector has been good.

The new framework for a differentiated model of inspections of initial teacher training providers was implemented as planned in September 2005.

The annual performance assessments (APAs) of 147 local authorities were completed on time and have fed into the comprehensive performance assessments, replacing the separate arrangements for education and social care. Further work has been conducted to refine the methodology for APAs; the revised arrangements will be implemented in summer 2006.

Following the completion of pilot reviews during the summer term, the first programme of joint area reviews (JARs) began as planned in September 2005. Ofsted has worked with other inspectorates and commissions on the first four blocks of reviews, and reports evaluating and commenting on children's services in 10 local authorities have been published so far. The JARs focus on the care and support children receive in a local authority. Councils have been positive about the reviews' impact on partnership working. The reviews have also raised councils' levels of consultation with children and young people.

In addition to the inspection programme, Ofsted was committed to a programme of subject and thematic surveys to report on and evaluate government policies and initiatives. These have been delivered in line with a programme agreed with the Department for Education and Skills (DfES). A few of the most important reports are listed below:

Developing enterprising young people: Features of the successful implementation of enterprise education at Key Stage 4, HMI 2460

Drug education in schools, HMI 2392

Healthy minds: promoting emotional health and well-being in schools, HMI 2457

Improving behaviour and attendance in primary schools, HMI 2477

Improving behaviour and attendance in secondary schools, HMI 2477B

The physical education, school sport and club links strategy, HMI 2397

Arrangements have been put in place to respond to issues that are raised centrally or regionally and require rapid investigation and analysis. An urgent survey of existing 'on-employment' vetting procedures in a sample of schools was undertaken early in 2006.

The programme of HMI monitoring visits to schools in special measures has been maintained. Visits to low-attaining schools, schools which have had a fresh start, and academies and their predecessor schools have continued. Under the new inspection arrangements schools are no longer designated as having serious weakness or under-achieving, but under our programme of legacy work HMI have continued to monitor schools placed in these categories.

Performance against targets

The *Ofsted Departmental Report 2003–04* reported on the final year of progress against a set of service delivery agreement (SDA) targets that were established as an outcome of the 2000 spending review. This Departmental Report outlines progress against a series of internally derived targets that were established in the *Ofsted Strategic Plan for 2005 to 2008* and outlined in the *Ofsted Departmental Report 2004–05*.

The following standard terminology has been used to report progress against targets. Other government departments also use this same methodology.

For **final assessments** the terms used are:

Term	Definition
Met	Target achieved by the target date.
Met-ongoing	For older targets where no end date was set, but where the target level has been met and a decision has been made to make a final assessment.
Partly met	Where a target has two or more distinct elements and some, but not all, have been achieved by the target date.
Not met	Where a target was not met or met late.

For **interim assessments** of those targets yet to reach their completion dates the terms used are:

Term	Definition
Met early	Target has been met ahead of schedule.
Ahead	Progress is exceeding plans and expectations.
On course	Progress in line with plans and expectations.
Slippage	Progress is slower than expected.
Not yet assessed	A new target for which data is not yet available.

In reporting on progress against targets, financial years are indicated by a dash in the year range (for example, 2005–06) and academic years are indicated by a forward slash (for example, 2005/06).

The targets are spread across ten core objectives and two strategic groupings:

- **Inspection and regulatory activities**

relating to our statutory requirement to regulate and inspect a sector of education and care provision

- **Organisational performance improvements**

relating to support provided for our inspection and regulatory activities and improvements to the way in which Ofsted functions as an organisation.

The following pages provide detailed information on the performance against each of the 10 objectives and the associated targets. A summary version is provided as Annex B, which also indicates performance against targets over time.

Section 1. Inspection and regulatory activities

Early years

Objective 1

Ensure that children in the registered care of others are safe, well cared for, and engaged in activity that promotes their development and learning.

Progress against recurrent targets is as follows:

Register providers within target timescales

(a) Reach a 'decision to register' 70% of childminder applications within 12 weeks of receipt.

Slippage

For applications received between May and October of 2005 (that is, at least 12 weeks prior to the time of analysis in February 2006) the 70% target of reaching a decision within 12 weeks was not met. Prior to this period the 70% target was regularly being achieved. See the 'Early Years' section of the Review of 2005–06 for further information.

(b) Reach a 'decision to register' 70% of day care applications within 25 weeks of receipt.

On course

For applications received between October 2004 and July 2005 (that is, at least 25 weeks prior to the time of analysis in February 2006) the 70% was continually met.

On receipt of a relevant complaint, investigate the continued suitability of the provider within 30 working days**On course**

In the case of complaints received between February 2005 and November 2005 (the latest timeframe available at the time of writing) the target was met, with the exception of performance in October 2005.

Take necessary enforcement action within the prescribed time limit**On course**

All 498 enforcement actions taken in 2005–06 were taken within the externally prescribed limits.

Progress against milestone targets is as follows:

Inspect all registered providers at least once by 31 March 2008**On course**

At the end of January 2006 Ofsted had completed 18,219 inspections of the 101,614 childcare providers who were registered at 1 April 2005. In addition, a further 10,885 of these providers had either resigned or had their registration cancelled. This leaves 70% of the childcare providers registered at 1 April 2005 to be inspected by the end of March 2008.

Report annually on findings from our early years regulatory work in Ofsted publications**On course**

Ofsted published a report entitled *Firm foundations* in August 2005. This presented Ofsted's findings from inspections in the two-year cycle from the start of April 2003 to the end of March 2005.

Schools and colleges**Maintained and independent schools****Objective 2**

Ensure that every school is inspected on a regular basis, that all schools causing concern are monitored, and that national strategies and other initiatives for the improvement of schools are evaluated rigorously.

Progress against the targets is as follows:

Implement the new arrangements for school inspection by September 2005.

Met

The new arrangements for school inspections (section 5 inspections) were implemented in September 2005 as planned. See the Review of 2005–06 section of this report for more detailed information on this topic.

Inspect all maintained schools on a three-year cycle beginning in September 2005.

On course

Over 6,000 inspections of maintained schools have been arranged for academic year 2005/06. We are on target to meet the new three-year cycle as laid down in the Education Act 2005.

Produce a set of reports and dissemination events related to the inspections outlined above.

Met

The programme of subject and thematic surveys was delivered as agreed with the DfES. Information was disseminated through the publication of reports, conferences and other events. See Annex D for a list of key reports that Ofsted published in 2005–06.

Further education and related provision

Objective 3

Ensure that every college is inspected on a regular basis, that provision for the 14–19 age group is evaluated within joint area reviews, and that national strategies for improving the education of this age group are rigorously evaluated.

Progress against the targets is as follows:

Complete the current programme of college inspections by summer 2005, and commence a new cycle after that.

Met

The programme of inspection of further education (FE) colleges and independent colleges was completed on target in the summer of 2005 (21 college inspections, 1 re-inspection and 7 independent specialist colleges). The new arrangements for the next cycle were implemented in September 2005 as planned, with a total of 66 college and independent specialist colleges inspected.

Ensure adequate coverage of provision for the 14–19 age group in joint area reviews (JARs).

On course

All JARs completed in 2005/06 comment on the effectiveness of the strategy for the 14–19 age group.

Children's services

Objective 4

Produce, with other inspectorates and commissions, a framework for inspection of children's services and introduce a programme of joint area reviews from September 2005.

Progress against the targets is as follows:

Publish the framework for the inspection of children's services in spring 2005.

Met

The framework for inspecting children's services was published in July 2005. Clearance of the framework was delayed in order to ensure that this and the schools framework were considered at the same time.

Complete the programme of JARs of all areas within three years from September 2005.

On course

The programme of JARs started in September 2005 as planned, and we are on target to complete the inspection cycle in three years with 12 JARs completed.

Other educational frameworks

Teacher training

Objective 5

Inspect the provision for the initial training of teachers (ITT) to work in schools and further education, and the training provided in support of new policy initiatives.

Progress against the targets is as follows:

Complete the first three years of the original six-year programme of inspections of all ITT providers by summer 2005, and commence the new six-year programme from September 2005.

Met

The first three years of the original six-year programme of inspections of ITT providers was completed on schedule (36 primary and 61 secondary reports published), and the new framework for a differentiated model of inspection was introduced as planned in September. Twenty primary and 17 secondary short inspections have been completed and 28 full inspections started.

Complete accreditation inspections of all designated recommending bodies by July 2006.**On course**

At the mid-way stage 14 inspections have taken place and the programme is on target.

Complete the inspection of all higher education providers of further education teacher training by July 2008.**On course**

At the mid-way stage 18 further education teacher training inspections (FETTI) have taken place and the programme is on target.

Improvement through inspection**Objective 6**

Ensure that Ofsted's data and inspection findings are disseminated and used to make the fullest possible contribution to the inspection process, the improvement of provision, and educational debate.

Progress against the target is as follows:

Publish HMCI's annual report for the years 2004/05, 2005/06 and 2006/07**Met**

HMCI's Annual Report for 2004/05 was published on 19 October 2005. For the first time it included a section on the impact of Ofsted inspection regimes. Wide use has been made of Ofsted's data and inspection findings throughout the year in papers, briefing notes and responses from outside individuals and organisations. Inspection findings and data have been used to inform the development of a new risk-related proportionate inspection system. Inspection findings and data have been used to identify particularly successful schools for HMCI's published list of such schools.

Pioneering new analyses and presentations have been included in the latest pre-inspection materials for schools and inspectors (the Performance and Assessment [PANDA] reports), using contextual value-added data and indications of uncertainty through the use of significance tests and confidence levels.

Section 2. Organisational performance improvements

Financial performance

Objective 7

Deliver reductions in the overall costs of delivering Ofsted services so that the annual budget is reduced by 20% by the end of March 2008.

Progress against the target is as follows:

Meet targets for annual cost savings that will deliver a 20% reduction in the annual Ofsted budget by the end of March 2008.

On course

In order to deliver this saving Ofsted has developed a medium-term financial plan and detailed business plans that will enable the organisation to meet its responsibilities for delivering inspections and regulatory activities while managing the annual budget decreases. We remain confident that the 20% target will be met on schedule at the end of March 2008. See the section headed 'Report against efficiency programme' for more detailed information on this subject.

Implement a new investment review process, with the establishment of an Investment Review Committee to impact on decisions for 2005–06.

Met

In May 2005 Ofsted introduced an Investment Review Committee (IRC) as a sub-committee of the Management Board.

The IRC is charged with evaluating investment strategy and decisions and with the management of the annual business planning and budgeting process. The IRC has met eight times during the past 12 months and has made a key contribution to developing the medium-term financial plan for Ofsted. It also plays a key role in ensuring that the organisation remains on track to meet the financial components of its long-term efficiency targets.

Regional delivery

Objective 8

By the end of March 2006 complete the establishment of three regions that will be responsible for running all of the Ofsted operations in the North, Midlands and South, together with a smaller strategic HQ operation.

Progress against the target is as follows:

Complete by April 2006 the organisational changes that will create fully functioning Northern, Midlands and Southern regions, and a new HQ structure.

Met

New offices in Nottingham and Bristol opened on schedule in November and December 2005. The Manchester office was completed by mid-January 2006. The National Business Unit (NBU) started to assume its phased responsibilities ahead of schedule and the accelerated programme is still in place. See the section headed 'Report against efficiency programme' for further information on this topic.

Organisational development**Objective 9**

Continue to implement plans that are aimed at improving Ofsted's performance in four key areas:

- taking pride in Ofsted's vital role
- developing our culture
- creating space for personal and professional development
- engaging and involving staff.

Progress against the targets is as follows:

Demonstrate continuing improvements in areas such as leadership and communication through regular staff surveys.

On course

In June 2005 a forum, chaired by HMCI, was set up to advise HMCI on the internal development of Ofsted as an organisation devoted to improving the quality of education and care, and as a place to work. The forum, with representatives from across Ofsted, has particularly focused on values and professional standards. This forum produced draft values that were informally launched across Ofsted, with a formal launch taking place during February 2006.

Internal communications remain high on the Board's agenda, with renewed emphasis on face-to-face communications and regular senior management presence in the regions.

Carry out a third staff survey during the period of the strategic plan for 2005 to 2008.

Not yet assessed

A third staff survey is due to be carried out by the end of March 2007.

Administrative efficiency

Objective 10

Demonstrate measurable improvements in administrative efficiency by April 2006.

Progress against the targets is as follows:

Maintain systems to ensure that all correspondence is dealt with within 20 working days.

Not met

The plan for monitoring correspondence involved investigating the feasibility of introducing a central automated monitoring system, which would be capable of tracking correspondence across the whole of Ofsted. In the interim we introduced a proxy measure which was based on tracking correspondence in three key areas:

- letters to HMCI, or passed to HMCI from ministers
- section 10 inspection complaints correspondence
- Freedom of Information (FOI) requests.

During 2005 it became clear that an IT system for tracking correspondence was not practicable within the current operational framework, and this approach was abandoned. The performance against the proxy measure was also variable over the past 12 months. In the case of letters addressed to HMCI, or passed to HMCI from ministers, more than 98% of all the correspondence was dealt with within the 20 day target period. In terms of the section 10 school inspection complaints correspondence, this was all acknowledged within five working days. However, this measure ceased at the end of August 2005 with the move to the new section 5 inspections.

The performance in relation to FOI correspondence was the most variable, ranging from 83% to 92% of all correspondence being dealt with within the target period. The period of maximum difficulty was the third quarter, when some complex FOI requests involving personal data were not being processed by the Early Years (EY) regional divisions within the target timeframe.

Action: The levels of dedicated resources and the prioritisation of FOI correspondence work within the EY regional centres have been reassessed. In addition, the introduction of a National Business Unit in Manchester that may scan and electronically distribute all the incoming mail for Ofsted could provide a route for tracking correspondence in the future. Experience of attempting to track such a target has shown the importance of having a very clearly defined and measurable objective. Consequently, in defining the strategic objectives and targets for 2006–07 the Ofsted Management Board closed down this general target, and the target in future will focus on correspondence relating to FOI requests.

Reduce levels of sickness absence by 10% by March 2006, and set further reduction targets beyond that.**Met**

Operational HR teams have been set up in each of Ofsted's regions. A key driver of this was to bring operational HR closer to the business and to help to achieve our target to reduce sickness. The target has been given to all three regional Heads of HR.

A new attendance policy (which introduced shorter 'review points', a clearer link between review points and action taken, annual monitoring of levels of absence and early referral to Occupational Health) has been in place for over a year and is in the process of being reviewed.

At the time of writing we are on target to achieve the 10% reduction in sickness by the end of March 2006. New targets are being developed for 2006–07.

Respond to complaints about Ofsted's work within published target times and report information on complaints annually in Ofsted's departmental report.**Met**

At the completion of the section 10 inspections at the end of August 2005, 100% of complaints had been acknowledged within five working days. From September 2005, with the introduction of section 5 inspections, there has been some slippage in this performance. For example, in December 2005 86% of complaints were acknowledged within the target timescale.

Report against efficiency programme

During 2004 the Ofsted Board developed a long-term strategy that will deliver efficiency cost savings in line with the Government's wish to redirect resources to front-line service delivery. These efficiency savings contribute to those outlined by the DfES in their Efficiency Technical Note published in December 2005. The Ofsted strategy is outlined in our *Strategic plan for 2005 to 2008*, and has been informed by recommendations in both the Gershon Review and the Lyons Review. All of the required changes were implemented under the umbrella of the Improving Ofsted Programme, which was completed at the end of March 2006.

Progress against the savings objectives that Ofsted has been set is outlined under the sub-headings shown below.

Progress against cost-reduction target

Ofsted's savings target is to reduce its annual budget by 20%, representing about £40 million, by the end of March 2008. This 20% reduction is measured against the 2003–04 budget of £208 million inflated to 2007–08 levels (£233.6 million). In order to deliver this saving Ofsted has developed a medium-term financial plan and detailed business plans that will enable the organisation to meet its responsibilities for delivering inspections and regulatory activities while managing the annual budget decreases. The pattern of the resource budget changes over time is as follows:

Financial Year	03–04	04–05	05–06	06–07	07–08	08–09
Budget £ million	208	212	220	204	192	192

We are confident that the 20% target will be met on schedule, although the expansion of Ofsted's remit and budget from 1 April 2007 will make tracking this a little less transparent.

Progress against head-count reduction target

More than 1,000 Ofsted staff have been affected in some way by the Improving Ofsted Programme. More than 300 staff applied for voluntary redundancy in 2005 under a scheme agreed with the unions. In addition a further 156 staff applied for redeployment, of whom all but 36 have been found other jobs or have moved to other organisations of their own accord.

The movement of roles from the London headquarters and the closure of some of the old regional offices also resulted in 35 staff and their families relocating to the regions.

Redeployment continues to remain a notable success within the programme, with 93 staff now redeployed, saving just under £1.4 million in redundancy costs. The programme of voluntary redundancy, which is the largest across government, came to a conclusion at the end of March 2006. The net 'Lyons effect' of all these staff changes at the end of March 2006 has been to reduce the head-count in London and the South East by some 250 posts.

At the time of writing Ofsted remains on target to meet its head-count reduction obligation of removing some 500 posts overall by the end of March 2008. However, staffing numbers will be affected by the change in Ofsted's remit and the transfer of staff from the ALI, CSCI and HMICA at the end of April 2007.

Progress against plans to reorganise Ofsted operations into regions and to reduce the size of the headquarters in London

The *Strategic plan for 2005 to 2008* included plans to move to a new regional structure based around operational offices in Manchester, Nottingham and Bristol, as well as the move to a slimmed-down headquarters operation in London by the end of 2005–06.

At the end of March 2006 Ofsted completed this reorganisation into three regions, with the formal opening of new and refurbished offices for the North in Manchester, for the Midlands in Nottingham and for the South in Bristol. The completion of this complex programme of moves involved the closure of the Early Years Directorate office in London at the end of January 2006, and the closure of those in Leeds, Birmingham and Harlow at the end of March 2006, with the Woking office scheduled to close at the end of May 2006. The Education Directorate support offices in Preston and Pudsey closed ahead of schedule in mid-November 2005, and the Manchester satellite office shut at the end of March 2006. All of these changes, implemented as part of the Improving Ofsted Programme, will reduce the overall office space being used by Ofsted by 12%.

The headquarters operation was also slimmed down with roles in corporate services functions (human resources, procurement, finance and so on) being moved from London out into the regions. At the end of March 2006 all of these various changes had been completed, with the exception of the Woking office closure, and had resulted in a reduction of 4,733 square metres of office space in London and the South East.

Report on better regulation

Regulatory impact assessment and regulatory reform

Ofsted does not produce its own regulations, it cannot deliver regulatory reform orders and it does not produce its own regulatory impact assessments (RIAs), although it does contribute to some of those produced by the DfES.

Over the past 12 months Ofsted made major contributions to two RIAs: the first concerned the Childcare Bill; and the second related to the creation of a single inspectorate for children and learners.

Consultation and proportionate inspection

During 2004 Ofsted undertook consultation on plans that would significantly reduce the compliance costs of inspection by Ofsted.

At the centre of this strategy were plans to introduce a 'light touch' approach to school inspection: one of our core activities. In 2005–06 we carried out detailed plans to implement this new inspection regime from September 2005. The main changes have been in cutting the notification period for inspections to the minimum possible, increasing the frequency of inspection to every three years and introducing more focused, lighter-touch inspections.

In November 2005 the Better Regulation Task Force published *Better regulation for civil society: Making life easier for those who help others*. They said the following about Ofsted's childcare inspection:

One of the major proposals of Philip Hampton's report (*Reducing administrative burdens: Effective inspection and enforcement*) is that regulators should adopt a risk-based approach to inspection. We support this proposal and would like to see government departments and public service regulators working together to develop risk-based regulation. The way Ofsted deals with pre-school childcare inspection is an example of good practice that might usefully be shared with other regulators dealing with vulnerable people.

Ofsted has also taken the lead in coordinating the implementation of new children's services inspections in 2005. The integrated inspection framework that has been developed, involving 10 commissions and inspection agencies, was designed to respond to the Children Act 2004.

All of these lighter-touch arrangements have involved substantial change, but ensure that inspection remains a powerful tool, alongside self-evaluation, in promoting improvement in education and care.

In all cases these changes have made our inspection and regulation more proportionate and cost effective, and have harmonised Ofsted's range of activities, bringing childcare and education much closer together.

During 2006–07 we shall be undertaking further work on the proportionate inspection of schools. The recent education White Paper flagged our intention to move towards an even more proportionate inspection system, allowing us to concentrate our resources where they are most needed and where inspection can have the most impact in driving improvement.

In taking this step Ofsted will take full advantage of improved self-evaluation in schools, increasingly sophisticated performance data and improved local intelligence. We intend to identify those schools that are performing well, perhaps 20% of all schools, and develop a methodology for inspecting them with an even lighter, but still rigorous, touch. These schools would be selected on the basis of their contextualised value-added indicators and the outcomes of previous inspections. These inspections might involve one inspector analysing the school's self-evaluation and performance data, spending one day in the school and writing a report.

We would also plan to tailor our well established and successful monitoring of schools in special measures to the school's particular needs, and might also visit schools with notices to improve before they are re-inspected. In March 2006 we began to trial this further development of the inspection model, which will also include a consultation phase, and are aiming to implement the new approach from September 2006.

Long-term strategy

In the second half of 2005 the DfES consulted on proposals to establish Ofsted as the single inspectorate in England for children and learners. These proposals entailed bringing together the work of Ofsted with functions from the CSCI, HMICA and the ALI. In December 2005 the Department announced that ministers had decided to proceed with these proposals, and to ask parliament to establish the new Ofsted on 1 April 2007 with the formal title of the Office for Standards in Education, Children's Services and Skills. These changes, which will be carried through during the period covered by this strategic plan, will have a profound impact on our long-term strategy.

Along with these changes to our remit the Government has proposed to revise Ofsted's governance arrangements. Ofsted will remain a non-ministerial government department, but with a body corporate – in effect, a board – with a non-executive chair. Most members will also be non-executive, but HMCI will also be a member, and the independence of HMCI's role will be enshrined in statute. Subject to the passage of the necessary legislation, these new governance arrangements will come into effect from 1 April 2007. The secretary of state has established a strategy board, with largely non-executive membership from each of the inspectorates concerned, to begin the process of preparing a strategy for the new Ofsted and to build on the strengths of the existing inspectorates. Once the legislation has been passed, it is expected that this function will be taken over by the new body corporate, initially in shadow form. A completely revised long-term strategy will then be published as the *Ofsted strategic plan for 2007 to 2010* in early 2007.

Strategy for 2006–07

In developing the strategy for 2006–07 the Ofsted board decided to provide a higher level of focus by reducing the number of key objectives from ten to five. This was achieved by consolidating the three objectives that related to educational inspections into one, and by combining the three that related to efficiency improvements. A series of highly focused targets have also been developed for each of the objectives.

Consequently **five core objectives** will contribute to meeting our aim in 2006–07.

The first three objectives highlight the inspection and regulatory activities that Ofsted will be undertaking over the next 12 months. These may also include programmes that respond to ministerial remits, priorities of government departments (in particular the DfES), or matters identified by HMCI.

Objective 1:

Ensure that providers of care and education help children to be healthy, stay safe, enjoy and achieve, make a positive contribution and achieve economic well-being.

Objective 2:

Help learners to achieve their full potential by reporting clearly, independently and unambiguously on quality and standards in education.

Objective 3:

Ensure that Ofsted's data and inspection findings are made widely available and used to make the fullest possible contribution to the inspection process, the improvement of provision, debate on educational policy and provision of advice.

These objectives are supported by two further objectives that focus on improvements to the way in which Ofsted functions as an organisation. They are designed to support the operational changes required in our regulatory and inspection activities. They introduce important improvements to Ofsted's structure and they focus on our use of resources to ensure a professional service and value for money.

Objective 4:
Ensure efficiency and value for money in departmental operations. Strengthen our internal governance and our understanding of, and engagement with, stakeholder opinion.

Objective 5:
Effectively integrate our national and regional operations, and successfully take on additional inspection and regulatory responsibilities, in order to provide a more focused regulation and inspection service for children and learners.

Both sets of objectives have been designed to contribute to Ofsted's overall financial goal of reducing its annual budget by 20% by the end of March 2008.

Each objective in this strategic period may cover several operational **programmes**. A programme may include a range of inspection activities. The inspection programmes are of four types, covering:

- institutional inspection or regulation
- thematic or cross-cutting inspection
- inspection of the quality of provision across areas or partnerships
- development and improvement of inspection.

The **outputs** of inspection always include feedback to those inspected and the creation of reports, written to high standards and in most cases publicly available. An important duty is the provision of advice to the Secretary of State for Education and Skills through HMCI's Annual Report and other publications, and briefings and seminars for ministers and officials. We also work in partnership with other national bodies in conducting inspection and providing information and advice. The **outcomes** are ultimately a contribution to the improvement in education, care and life chances of learners, children and young people.

Objectives, programmes and targets

Early years

Objective 1

Ensure that providers of care and education help children to be healthy, stay safe, enjoy and achieve, make a positive contribution and achieve economic well-being.

Programmes

- 1.1 The registration of providers.** Each year we receive around 24,000 applications for registration from potential childminders and providers of day care. We establish that the applicant is a suitable person to provide childcare and meets the National Standards. This involves significant administrative tasks in carrying out a number of prescribed checks. Establishing that the registered person can meet the National Standards also involves a visit to check the premises by a childcare inspector and a formal interview.
- 1.2 The inspection of providers.** We inspect day care providers, childminders and nursery education providers within three years of their previous inspection. We also inspect those settings causing concern more frequently, and inspect new providers within seven months of their registration when they have begun to care for children. These inspections lead to a quality grading and a written report that is then published. We will carry out approximately 40,000 inspections during each year of this strategic plan.
- 1.3 The investigation of complaints against providers to ensure their continuing suitability to provide childcare.** Each year we investigate around 7,000 complaints where concerns have been raised about the suitability of the provider or the childcare provision. These complaints vary widely in their content, from issues relating to child protection to matters relating to child–adult ratios, qualification of managers or suitability of premises.
- 1.4 The enforcement of action against registered or unregistered providers.** To date we have taken an average of 250 enforcement actions against providers each year. About one third relate to unregistered childminders.
- 1.5 Inspection and regulation development.** During the period of this strategic plan, emphasis will be placed on improving the processes in these areas, in response to the expansion of Ofsted's remit, the Government's new legislation and other national policy initiatives.
- 1.6 Retrieval and dissemination of inspection data.** Ensure that data is made available to local authorities and used to disseminate our inspection findings.

Targets

- Register 70% of applicants within the target timescales (12 weeks for childminders; 25 weeks for day care providers).
- On receipt of a relevant complaint, complete an investigation into their continuing suitability within 30 working days in 70% of cases.
- Take necessary enforcement action within the prescribed time limits.
- Inspect the required annual quota of all registered providers (as at 1 April 2005) so that they are all inspected at least once by 31 March 2008.
- Report annually in official Ofsted publications on findings from our early years regulatory work.

Schools, colleges, teacher training and children's services

Objective 2

Help learners to achieve their full potential by reporting clearly, independently and unambiguously on quality and standards in education.

This objective will be achieved by regularly inspecting and stimulating improvement in:

- all maintained schools, colleges and providers of work-based learning for those under 16
- all independent schools that are not members of the Independent Schools Council (ISC)
- all provision for the initial training of teachers to work in schools and further education, and the training provided in support of new policy initiatives
- all children's services, to include annual performance assessments and regular inspections of children's services.

Meeting the objective will also involve evaluating the impact of inspection on a regular and systematic basis and continuously reviewing all our inspection regimes in order to ensure that they are proportionate to risk.

Programmes

- 2.1 Inspection of maintained schools, colleges and providers of work-based learning for those under 16.** We will continue to work with our inspection partners in the delivery of more frequent, shorter and more sharply focused school inspections and a differentiated programme of college inspections, as commenced in September 2005. HMCI will publish all school and college inspection reports. The programme of inspection will be regionally managed. HMI will be involved in all school inspections and will lead a proportion of inspections of primary and secondary schools, working with inspection contractors. The inspection scheme will be kept under close review, and we propose to develop and pilot a risk-based and proportionate approach to inspection in 2006. HMI will continue to inspect service children's schools as requested by the Ministry of Defence.
- 2.2 Fresh Start, Leadership Incentive Grant, etc.** We will continue to monitor and inspect Fresh Start schools, academies and low-attaining schools in receipt of the Leadership Incentive Grant, further education and higher education institutions, dance and drama schools, the secure/juvenile estates and youth offending teams.
- 2.3 Monitoring schools causing concern.** Our focus will be to tackle underperformance quickly and positively. We shall continue to build on the strong track record of HMI work with individual schools by maintaining our programme of monitoring visits to schools in special measures. Additional inspectors will undertake some of this work. We will review our procedures for inspecting the other single category of schools causing concern, those issued with a Notice to Improve under the new inspection arrangements. We will be developing monitoring arrangements in schools judged to be satisfactory overall but where there is some under-achievement.
- 2.4 Parents' complaints.** We are devising strategies to respond to parents' complaints through our response to the Education and Inspections Bill 2006.
- 2.5 The regular inspection of independent schools under section 163 of the Education Act 2002.** We shall complete the six-year inspection cycle (which began in September 2003) of independent schools that are not members of the Independent Schools Council, subject to review of inspection arrangements to make them more proportionate and bring them into line with section 5 inspections.
- 2.6 Independent schools.** Independent schools that are members of the Independent Schools Council will be inspected by the Independent Schools Inspectorate, which is subject to monitoring by HMI. Inspection reports will normally be published. Any funded nursery education, required to be inspected under section 122 of the Schools Standards and Framework Act 1998, will be inspected where possible as an integral part of independent school inspections.
- 2.7 Initial teacher training inspections.** We will continue the programme of differentiated inspections of ITT providers, and the programmes of inspection of all providers of FE teacher training. We will continue to ensure that inspections are proportionate to risk and integrate these inspection programmes into our regional structure.

2.8 Annual performance assessments and inspections of all children's services. Working in the regions, we will continue to carry out annual performance assessments of all children's services. We will continue to carry out inspections of children's services alongside our inspection partners and devise strategies to streamline these arrangements, ensuring that the inspections are proportionate to risk.

2.9 Quality assurance. The quality assurance processes established with the regional and national inspection providers for the inspection of schools, colleges and independent schools will be maintained and quality measured by the use of key performance indicators. Quality assurance arrangements which are in place for the inspection of ITT and the inspection of children's services will continue and will be refined where appropriate.

Targets

- Undertake the annual quota of inspections in 2006–07 so that all maintained schools will have been inspected by summer 2009.
- Complete the required number of inspections in 2006–07 so that all independent schools that are not members of the Independent Schools Council are inspected by autumn 2009.
- Undertake the annual quota of inspections in 2006–07 to complete the new cycle of college inspections by summer 2009.
- Ensure that all schools causing concern are monitored in line with an agreement with the DfES.
- Complete the required number of inspections in 2006–07 in order to complete the new six-year programme of inspections of ITT providers by summer 2011.
- Undertake the required number of inspections in 2006–07 so that the inspection of all providers of FE teacher training is completed by July 2008.
- Complete the performance assessments of all children's services annually.
- Undertake the required number of JARs in 2006–07 so that the inspection of all children's services is completed by autumn 2008.
- Evaluate rigorously the quality and provision in subjects and other national initiatives in schools, colleges and teacher education.
- Move to a proportionate and risk-based system of inspection for schools and further differentiate the inspection of other providers by the end of 2006–07.

Dissemination of information and advice

Objective 3

Ensure that Ofsted's data and inspection findings are made widely available and used to make the fullest possible contribution to the inspection process, the improvement of provision, debate on educational policy and provision of advice.

Programmes

- 3.1 Performance indicators.** We shall work with the DfES and other organisations to ensure that best use is made of pupil level data, inspection grades and other indicators to inform schools, other providers, local authorities, school improvement partners and inspectors. This will lead to the publication during 2006 of an interactive data-handling tool comprising new analysis and the merger of Ofsted's performance and assessment (PANDA) report and the DfES pupil achievement tracker.
- 3.2 Improvement through inspection.** We shall disseminate widely the results of our analysis of evidence to inform the early years sector and the education service nationally and locally, and promote debate. This will be done principally through HMCI's Annual Report to Parliament, in which we shall include an evaluation of quality and standards of education and care nationally and the impact inspection and regulation are having on quality and standards. We shall publish, in a wide range of formats, reports resulting from our survey inspections, in which we probe specific issues emerging from inspection evidence, draw together evidence on aspects of care or education, or evaluate policy initiatives. This plan indicates within different inspection programmes how we see this work developing in the next few years. We shall also develop other strategies to inform care providers and the education service of our findings, and use conferences and seminars to provide opportunities for discussion.
- 3.3 Freedom of Information.** We aim to comply fully with the freedom of information and data protection legislation which affects our work, and to promote a climate of openness and transparency around how we conduct our inspections, whilst preserving confidentiality where it is necessary.
- 3.4 Impact.** We will build on the evaluations of the pilot inspections and previous evaluations of Ofsted's work. The main focus of the evaluations will be to establish and, where possible, measure, the impact of inspections on bringing about improvement in the providers inspected. As part of that programme we will continue to seek the advice of parents and pupils.

Targets

- Publish HMCI's annual report for 2006–07.
- Identify annually, in discussion with the DfES, the major issues on which we should provide advice to the Secretary of State for Education and Skills.

- Further develop the capacity to provide a rapid response to, and regular updates on, key policy issues.
- Respond to 90% of requests for information under the Freedom of Information Act within 20 working days.
- Undertake regular and systematic evaluation of the impact of inspection and strategic programmes and take action on the outcomes.

Improving our efficiency

Objective 4

Ensure efficiency and value for money in departmental operations. Strengthen our internal governance and our understanding of, and engagement with, stakeholder opinion.

Programmes

- 4.1 Investors in People (IiP).** In April 2005 Ofsted re-committed to working with the IiP standard, using a continuous assessment approach under which regional units will come forward for assessment when ready.
- 4.2 Pay and workforce strategy.** A pay and workforce review will revise Ofsted's approach to 'total reward', with emphasis on how future remuneration and reward systems can add value to an employee's experience of working at Ofsted while meeting business needs. This review will particularly focus on issues to ensure an effective transfer of staff in April 2007.
- 4.3 Information services delivery.** Ofsted's public-facing services will be delivered to ensure service levels are improved and operating costs kept as low as possible. This will include web- and telephony-based solutions for high-volume activities such as early years applications.
- 4.4 Procurement and contract management.** As part of improving corporate governance, we shall raise awareness of procurement and contract management issues within Ofsted and develop professionally qualified teams of procurement and contract management specialists in the regions. We shall manage the disposal of surplus assets (the buildings on the Ofsted estate no longer needed) and manage utilisation rates of buildings in use.
- 4.5 Financial management improvement programme.** A programme of improvement in all of the financial management processes used across Ofsted is being implemented. This includes a project to begin the process of replacing the accounting system, as well as activity to raise the level of financial advice and support that the Finance Directorate provides to the Ofsted divisions and business units. All of these changes are designed to improve Ofsted's self-assessment score against the HM Treasury financial management standards.

Targets

- Meet targets for annual cost savings in 2006–07 that will deliver a 20% reduction in the annual Ofsted budget (based on the 2003–04 budget baseline) by the end of March 2008, and meet the subsequent spending review targets.
- Gain accreditation, under the new 2005 standard, as an Investor in People by the end of March 2008.
- Move towards reducing sickness absence by a further 10%, to a target average of nine working days per full-time employee by the end of March 2008.
- Ensure full compliance with HM Treasury's financial management standards by the end of March 2007.
- Ensure full compliance with HM Treasury's corporate governance standards by the end of March 2007.
- Carry out a third staff survey by the end of March 2007.
- Respond to complaints about Ofsted's work within the published target times and report information on complaints annually in Ofsted's *Departmental Report*.

Regional and national delivery, and taking on additional responsibilities

Objective 5

Effectively integrate our national and regional operations, and successfully take on additional inspection and regulatory responsibilities, in order to provide a more focused regulation and inspection service for children and learners.

Programmes

- 5.1 Organisational change.** By the end of March 2006 the major programme of organisational change, Improving Ofsted, will have been completed. Three core regions, based in Manchester, Nottingham and Bristol, have been established to manage Ofsted's operations in the North, Midlands and South respectively. A smaller, strategic HQ operation remains in London. Corporate services will be delivered through teams in the regions, with policy and strategy remaining in the HQ. This will ensure that Ofsted's resources move closer to the front line of our inspection and regulation activity.
- 5.2 CSCI, HMICA and ALI.** Subject to the passage of the necessary legislation Ofsted will, from April 2007, take responsibility for the regulatory work carried out by CSCI, in so far as it relates to children; for the work of HMICA in relation to the Children and Family Court Advisory and Support Service (CAFCASS); and for the inspection work of the ALI. Staff will be transferred from each of these predecessor bodies for this purpose.

5.3 Governance. With the expansion of Ofsted's remit a new non-executive corporate body will be set up from April 2007. This board will be headed by a non-executive chair and will have between 5 and 10 non-executive directors. Under the new structure there will be clearly defined and distinct roles for the non-executive chair and HMCI.

Targets

- Undertake the necessary preparations to successfully absorb staff and inspection responsibilities from the CSCI, HMICA and the ALI into the organisation from April 2007.
- During the initial phase of operation of the National Business Unit pick up 80% of calls in 20 seconds, and by the end of September 2006 implement a portfolio of measures that exceed this performance level.

Annex A: Organisational structure at April 2006



Annex B: Performance against targets over time

KEY: 2005–06 = financial year 2005/06 = academic year			
Objectives and targets	2003–04	2004–05	2005–06
Objective 1			
Ensure that children in the registered care of others are safe, well cared for and engaged in activity that promotes their development and learning.			
Reach a 'decision to register' 70% of childminder applications within 12 weeks of receipt.		ON COURSE Completion rate 75% plus monthly.	SLIPPAGE Target not met between May and October 2005.
Reach a 'decision to register' 70% of day care applications within 25 weeks of receipt.		ON COURSE Completion rate 80% plus monthly.	ON COURSE Completion rate 70% plus monthly.
On receipt of a relevant complaint, investigate the continued suitability of the provider within 30 working days.		ON COURSE Target consistently exceeded each month.	ON COURSE Target met in every month – with the exception of October 2005.
Take necessary enforcement action within the prescribed time limits.		ON COURSE All 532 enforcement actions taken within externally prescribed limits.	ON COURSE All 498 enforcement actions taken within externally prescribed limits.
Inspect all registered providers at least once by 31 March 2008.	ON COURSE Completed the required number of annual inspections.	MET Target for completing previous inspection cycle met by end March 2005.	ON COURSE At the end of January 2006 18,219 inspections had been completed. This leaves 70% of childcare providers to be inspected by March 2008.
Report annually on findings from our early years regulatory work in Ofsted publications.	ON COURSE Published <i>Early years: The first national picture</i> in August 2003.	ON COURSE Published <i>Early years: Protection through regulation</i> in August 2004.	ON COURSE Published <i>Early years: Firm foundations</i> in August 2005.

Objectives and targets	2003–04	2004–05	2005–06
Objective 2 Ensure that every school is inspected on a regular basis, that all schools causing concern are monitored, and that national strategies and other initiatives for the improvement of schools are evaluated rigorously.			
Implement the new arrangements for school inspection by September 2005.			MET The new arrangements for school inspections were implemented in September 2005 as planned.
Inspect all maintained schools on a six-year cycle up to August 2005 and a three-year cycle from September 2005.	ON COURSE On target to meet six-year time interval between inspections.	ON COURSE On target to meet six-year time interval between inspections.	MET The six-year cycle was completed on schedule.
			ON COURSE 6,000 inspections of maintained schools have been arranged for 2005/06.
Produce a set of reports and dissemination events related to the inspections outlined above.			MET A programme of subject and thematic surveys was delivered.
Objective 3 Ensure that every college is inspected on a regular basis, that provision for the 14–19 age group is evaluated within joint area reviews, and that national strategies for improving the education of this age group are rigorously evaluated.			
Complete the current programme of college inspections by summer 2005, and commence a new cycle after that.	ON COURSE Completed the required number of annual inspections.	ON COURSE Completed the required number of annual inspections.	MET Inspection programme completed in June 2005.
			ON COURSE New cycle started in September 2005.
Ensure adequate coverage of provision for the 14–19 age group in joint area reviews.			ON COURSE All JARs in 2005/06 commented on the strategy for the 14–19 age group.

Objectives and targets	2003–04	2004–05	2005–06
Objective 4			
Produce, with other inspectorates and commissions, a framework for inspection of children's services and introduce a programme of joint area reviews from September 2005.			
Publish the framework for the inspection of children's services in spring 2005.			MET The framework was published in July 2005.
Complete the programme of joint area reviews of all areas within three years from September 2005.			ON COURSE The programme of JARs started in September 2005.
Objective 5			
Inspect the provision for the initial training of teachers to work in schools and further education, and the training provided in support of new policy initiatives.			
Complete the first three years of the original six-year programme of inspections of all ITT providers by summer 2005, and commence the new six-year programme from September 2005.	ON COURSE Completed the required number of annual inspections.	ON COURSE Completed the required number of annual inspections.	MET Inspection programme for ITT providers completed in June 2005.
			ON COURSE The new framework was introduced in September 2005.
Complete accreditation inspections of all designated recommending bodies by July 2006.	ON COURSE Completed the required number of annual inspections.	ON COURSE Completed the required number of annual inspections.	ON COURSE 14 inspections have taken place at the mid-way stage and the programme is on target.
Complete the inspection of all higher education providers of further education teacher training by July 2008.		ON COURSE Completed the first year of the programme on schedule.	ON COURSE 18 FETTI inspections have taken place at the mid-way stage and the programme is on target.

Objectives and targets	2003–04	2004–05	2005–06
Objective 6 Ensure that Ofsted's data and inspection findings are disseminated and used to make the fullest possible contribution to the inspection process, the improvement of provision, and educational debate.			
Publish HMCI's Annual Report for the years 2004/05, 2005/06 and 2006/07.	MET Published Annual Report on schedule.	MET Published Annual Report on schedule.	MET Published Annual Report on schedule in October 2005.
Objective 7 Deliver reductions in the overall costs of delivering Ofsted's services so that the annual budget is reduced by 20% by the end of March 2008.			
Meet targets for annual cost savings that will deliver a 20% reduction in the annual Ofsted budget by the end of March 2008.			ON COURSE The medium-term financial plan will deliver the savings target by the end of March 2008.
Implement a new investment review process, with the establishment of an investment review committee to impact on decisions for 2005–06.			MET An investment review committee was established in May 2005.
Objective 8 By the end of March 2006 complete the establishment of three regions that will be responsible for running all of the Ofsted operations in the North, Midlands and South, together with a smaller, strategic HQ operation.			
Complete by April 2006 the organisational changes that will create fully functioning regions in the North, Midlands and South, and a new HQ structure.			MET The move to the new regional structure was completed by the end of March 2006.

Objectives and targets	2003–04	2004–05	2005–06
Objective 9 Continue to implement plans that are aimed at improving Ofsted's performance in four key areas: <ul style="list-style-type: none"> ■ Taking pride in Ofsted's vital role ■ Developing our culture ■ Creating space for personal and professional development ■ Engaging and involving staff 			
Demonstrate continuing improvements in areas such as leadership and communication through regular staff surveys.	NOT YET ASSESSED Next staff survey scheduled for 2004.	ON COURSE Staff survey completed in January 2004 showing improvements on 2002.	ON COURSE HMCI's forum established in 2005 to advise on internal developments. Next staff survey scheduled for 2006–07.
Carry out a third staff survey during the period of the 2005–08 Strategic Plan.			NOT YET ASSESSED Next staff survey scheduled for 2006–07.
Objective 10 Demonstrate measurable improvements in administrative efficiency by April 2006.			
Maintain systems to ensure that all correspondence is dealt with within 20 working days.		SLIPPAGE No central monitoring system in place. Target exceeded in a small number of areas within Ofsted.	NOT MET No central monitoring system implemented. Slippage largely relates to complex FOI requests on EY activities. Extra resources allocated to cope with the problem. Target refined for 2006–07.
Reduce levels of sickness absence by 10% by March 2006, and set further reduction targets beyond that.		ON COURSE 10% reduction from January 2004 to January 2005.	MET On target to achieve the 10% reduction in sickness by March 2006.
Respond to complaints about Ofsted's work within published target times and report information on complaints annually in Ofsted's Departmental Report.		SLIPPAGE One division did not meet its target for resolving complaints.	MET At the end of the section 10 inspections 100% of complaints had been acknowledged on target. For section 5 inspections, there has been some slippage.

Annex C: Financial tables

Table 1: Total public spending for Ofsted										£'000
	2000–01	2001–02	2002–03	2003–04 Estimated Outturn	2004–05 Outturn	2005–06 Outturn	2006–07 Plans	2007–08 Plans		
Consumption of resources										
Regulation and inspection of childcare and education	104,089	155,175	197,528	208,125	211,535	220,000	204,000	192,000		
Total resource budget	104,089	155,175	197,528	208,125	211,535	220,000	204,000	192,000		
<i>of which:</i>										
Resource DEL	104,089	155,175	197,528	208,125	211,535	220,000	204,000	192,000		
Capital Spending										
Regulation and inspection of childcare and education	1,641	8,503	5,276	1,573	2,857	600	600	600		
Total capital budget	1,641	8,503	5,276	1,573	2,857	600	600	600		
<i>of which:</i>										
Capital DEL	1,641	8,503	5,276	1,573	2,857	600	600	600		
Total public spending	104,413	161,326	199,260	205,599	209,485	217,528	202,100	190,100		
Notes										
(1) Total public spending calculated as the total of the resource budget plus the capital budget, less depreciation.										
(2) See the report section headed 'Report against efficiency programme' for more information on Ofsted's cost reduction targets.										
(3) This table was created using data from the HM Treasury COINS/PES database and has been adjusted to show the impact of the cost reduction programme in 2007–08.										

Table 2: Resource budget for Ofsted

	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06 Estimated Outturn	2006–07 Plans	2007–08 Plans
Resource DEL								
Regulation and inspection of childcare and education Administration and inspection RfR1 A	104,089	155,175	197,528	208,125	211,535	220,000	204,000	192,000
Total voted	104,089	155,175	197,528	208,125	211,535	220,000	204,000	192,000
Total resource budget	104,089	155,175	197,528	208,125	211,535	220,000	204,000	192,000

Table 3: Capital budget for Ofsted

	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06 Estimated Outturn	2006–07 Plans	2007–08 Plans
Capital DEL								
Regulation and inspection of childcare and education Administration and inspection RfR1 A	1,641	8,503	5,276	1,573	2,857	600	600	600
Total voted	1,641	8,503	5,276	1,573	2,857	600	600	600
Total capital budget	1,641	8,503	5,276	1,573	2,857	600	600	600

		£'000							
		2000-01 Outturn	2001-02 Outturn	2002-03 Outturn	2003-04 Outturn	2004-05 Outturn	2005-06 Forecast	2006-07 Projected	2007-08 Projected
Assets on balance sheet at end of year:									
Fixed Assets									
Tangible	4,905	12,028	15,041	11,309	9,513	1,996	890	977	
Intangible		81	466	520	947	194	197	200	
<i>of which:</i>									
Land and buildings	971	943	1,975	357	364	1,193	-	-	
Equipment and computers	1,763	5,303	5,924	4,333	2,683	634	673	713	
Furniture, fixtures and fittings	1,997	5,464	6,723	6,222	6,111	15	60	104	
Vehicles	174	318	419	397	355	154	157	160	
Software		81	466	520	947	194	197	200	
Current Assets									
Debtors	5,091	7,052	6,191	5,654	5,227	4,355	3,816	3,341	
Cash at bank and in hand	6,437	14,207	779	2,115	3,011	2,611	2,211	1,811	
Creditors <1 Year	- 6,462	- 26,939	- 15,889	- 18,280	- 16,730	- 16,000	- 15,270	- 14,540	
Creditors >1 Year		- 2,108	- 1,268						
Provisions	- 771	- 571	- 462	- 550	- 10,686	- 13,372	- 12,035	- 10,698	
Total capital employed	9,200	3,750	4,858	768	- 8,718	- 20,216	- 20,191	- 18,909	

Table 5: Administration costs for Ofsted

	2000–01 Outturn	2001–02 Outturn	2002–03 Outturn	2003–04 Outturn	2004–05 Outturn	2005–06 Estimated Outturn	2006–07 Plans	2007–08 Plans
Administration expenditure								
Pay bill	4,222	6,192	8,956	10,175	9,216	8,582	8,582	8,582
Other	7,008	13,378	14,728	19,655	15,330	16,183	19,983	19,983
Total administration expenditure	11,230	19,570	23,684	29,830	24,546	24,765	28,565	28,565
Administration Income	- 79	- 84	- 120	- 174	- 390	- 95	- 95	- 95
Total administration budget	11,151	19,486	23,564	29,656	24,156	24,670	28,470	28,470

Table 6: Staff in post

	2000–01 Outturn	2001–02 Outturn	2002–03 Outturn	2003–04 Outturn	2004–05 Outturn	2005–06 Estimated Outturn	2006–07 Plans
Civil service full-time equivalents	527	1,484	2,456	2,545	2,450	2,259	2,115
Overtime	1	8	10	10	10	9	8
Casuals	14	10	45	12	12	11	10
Total	542	1,502	2,511	2,567	2,472	2,279	2,133

Note

For further information on Ofsted's staffing reduction targets, please see the report section headed 'Report against efficiency programme'.

	£ million							
	2000–01 Outturn	2001–02 Outturn	2002–03 Outturn	2003–04 Outturn	2004–05 Outturn	2005–06 Plans	2006–07 Plans	2007–08 Plans
North East	5.6	7.9	9.1	9.6	9.8	9.1	8.5	8.5
North West	16.9	23.5	25.9	27.0	27.4	31.4	29.2	29.2
Yorkshire and Humberside	11.1	15.8	18.1	19.2	19.5	18.2	16.9	16.9
East Midlands	9.6	15.9	18.6	20.2	18.7	18.2	16.9	16.9
West Midlands	12.1	16.8	20.3	19.8	20.2	22.2	20.7	20.7
Eastern	11.2	17.3	22.0	24.0	23.9	24.0	22.3	22.3
London	12.6	26.0	30.7	29.9	32.0	35.9	33.4	33.4
South East	15.5	21.5	33.3	32.7	36.0	36.4	33.9	33.9
South West	9.5	15.9	21.0	23.2	22.1	21.6	20.1	20.1
Total England	104.2	160.7	199.0	205.6	209.5	216.8	202.0	202.0
Scotland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Northern Ireland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total UK identifiable expenditure	104.2	160.7	199.0	205.6	209.5	216.8	202.0	202.0
Outside UK	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total identifiable expenditure	104.2	160.7	199.0	205.6	209.5	216.8	202.0	202.0
Non-identifiable expenditure	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total identifiable on services	104.2	160.7	199.0	205.6	209.5	209.5	202.0	202.0

Table 8: Identifiable expenditure on services, by country and region, per head

	£ per head							
	2000–01 Outturn	2001–2 Outturn	2002–03 Outturn	2003–04 Outturn	2004–05 Outturn	2005–06 Plans	2006–07 Plans	2007–08 Plans
North East	2.2	3.1	3.6	3.8	3.8	3.6	3.4	3.4
North West	2.5	3.5	3.8	4.0	4.0	4.6	4.3	4.3
Yorkshire and Humberside	2.2	3.2	3.6	3.8	3.9	3.6	3.4	3.3
East Midlands	2.3	3.8	4.4	4.7	4.4	4.2	3.9	3.9
West Midlands	2.3	3.2	3.8	3.7	3.8	4.2	3.9	3.9
Eastern	2.1	3.2	4.1	4.4	4.4	4.3	4.0	4.0
London	1.7	3.6	4.2	4.0	4.3	4.8	4.4	4.4
South East	1.9	2.7	4.1	4.0	4.4	4.5	4.1	4.1
South West	1.9	3.2	4.2	4.6	4.4	4.3	3.9	3.9
Total England	2.1	3.2	4.0	4.1	4.2	4.3	4.0	4.0
Scotland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Northern Ireland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total UK identifiable expenditure	1.8	2.7	3.4	3.5	3.5	3.6	3.4	3.3

Notes for Tables 7 and 8

(1) The spending data shown in tables 7 and 8 is consistent with the country and regional analyses (CRA) published by HM Treasury in Public Expenditure Statistical Analyses (PESA). PESA contains more tables analysed by country and region, and also explains how the analysis was collected and the basis for allocating expenditure between countries and regions. Figures for 2007–08 have been adjusted in line with budget reductions.

(2) The tables do not include depreciation, cost of capital charges or movements in provisions that are in DEL/AME. They do include salaries, procurement expenditure, capital expenditure, and grants and subsidies paid to individuals and private sector enterprises.

(3) The figures were taken from the HM Treasury Public Expenditure database in December 2005 and the regional distributions were completed in January–February 2006. Therefore the tables may not show the latest position.

(4) Across government, most expenditure is not planned or allocated on a regional basis. Social security payments, for example, are paid to eligible individuals irrespective of where they live. Expenditure on other programmes is allocated by looking at how all the projects across the department's area of responsibility, usually England, compare. So the analysis shows the regional outcome of spending decisions that have on the whole not been made primarily on a regional basis.

(5) The functional categories used are the standard United Nations Classifications of the Functions of Government (COFOG) categories. This is not the same as the strategic priorities used elsewhere in the report.

Annex D: Key reports published in 2005–06

General

Annual Report of Her Majesty's Chief Inspector of Schools 2004/05, ISBN 0102935459, October 2005

Early years

Early doors: Experiences for children in day care during the first hour of the day, December 2005

Early years: Firm foundations, HMI 2436, 19 August 2005

Primary and secondary education

Developing a coherent 14–19 phase of education and training, HMI 2442, November 2005

Developing enterprising young people: Features of the successful implementation of enterprise education at Key Stage 4, HMI 2460, November 2005

Drug education in schools, HMI 2392, July 2005

English 2000–05: A review of inspection evidence, HMI 2351, October 2005

Excellence in cities: Managing associated initiatives to raise standards, HMI 2595, December 2005

Food technology in secondary schools, HMI 2633, March 2006

Good school libraries: Making a difference to pupils' learning, HMI 2624, March 2006

Healthy eating in schools, HMI 2625, March 2006

Healthy minds: Promoting emotional health and well-being in schools, HMI 2457, July 2005

Implementing languages entitlement in primary schools: An evaluation of ten pathfinder LEAs, HMI 2476, July 2005

Implementing modern foreign languages entitlement in Key Stage 4, HMI 2481, June 2005

Improving behaviour and attendance in primary schools, HMI 2477, July 2005

Improving behaviour and attendance in secondary schools, HMI 2477B, July 2005

Increased flexibility programme at Key Stage 4, HMI 2361, June 2005

Informing practice in English: A review of recent research in literacy and the teaching of English, HMI 2565, October 2005

Monitoring ISI inspections and reports 2004/05, HMI 2531, November 2005

Parents' satisfaction with schools, HMI 2634, March 2006

Primary National Strategy: An evaluation of its impact in primary schools 2004/05, HMI 2396, December 2005

Pupils' satisfaction with their school, HMI 2494, July 2005

The Key Stage 4 curriculum: Increased flexibility, work-related learning and Young Apprenticeship programmes, HMI 2478, November 2005

The physical education, school sport and club links strategy, HMI 2397, July 2005

The Secondary National Strategy: An evaluation of the fifth year, HMI 2612, December 2005

Work-related learning: The story so far, HMI 2482, June 2005

Post-16

Further education matters: The first four years of Ofsted/ALI college inspections, HMI 2532, November 2005

Skills for life in colleges: One year on, HMI 2458, October 2005

Inclusion

Could they do even better? The writing of advanced bilingual learners at Key Stage 2: HMI survey of good practice, HMI 2439, July 2005

Inclusion: The impact of LEA support and outreach services, HMI 2452, July 2005

Race equality in education: Good practice in schools and local education authorities, HMI 589, November 2005

Race equality in further education: A report by HMI: Progress and good practice in colleges in the further education sector in response to the Race Relations (Amendment) Act 2000, HMI 2463, November 2005

Removing barriers – a 'can-do' attitude: A report on developing good practice for children with special needs in early years childcare and education in the private and voluntary sectors, HMI 2449, September 2005

Teachers

An employment-based route into teaching, HMI 2623, February 2006

An evaluation of the post-16 citizenship pilot 2004/05: A report from Ofsted and the Adult Learning Inspectorate, HMI 2440, November 2005

Initial teacher training for teachers of citizenship 2004/05, HMI 2486, November 2005

Initial training of further education teachers on courses leading to national awarding body qualifications: Findings from 2004/05 inspections, HMI 2485, February 2006

Remodelling the school workforce, HMI 2596, December 2005

Local authorities

Annual performance assessment (APA): Local authority children's services 2005 – report on outcomes, HMI 2520, March 2006

Annual performance assessment: Councils' views on the APA of children's services in 2005, HMI 2622, January 2006

Arrangements for the APA of children's services in 2006: Annual performance assessment and joint area reviews, HMI 2525, February 2006

Creating opportunity for young people: The DfES's grant scheme for National Voluntary Youth Organisations 2002–2005, HMI 2444, November 2005

Effective youth services: Good practice, HMI 2445, July 2005

Frameworks and handbooks

Common Inspection Framework for inspecting education and training, HMI 2434, April 2005

Every Child Matters: The framework for the inspection of children's services, HMI 2433, July 2005

Framework 2005 – early years, HMI 2601, October 2005

Framework 2005: Framework for the inspection of schools in England from September 2005, HMI 2435, July 2005

Framework for the inspection of initial teacher training for inspections from September 2005, HMI 2446, July 2005

Handbook for inspecting colleges – draft, HMI 2441, May 2005

Handbook for the inspection of initial teacher training for inspections from September 2005, HMI 2455, July 2005

Inspecting independent schools: The framework for inspecting independent schools in England under Section 162A of the Education Act 2002. In use from September 2005, HMI 2631, January 2006

Inspecting outcomes for children – guidance for inspectors: Childminding, day care and nursery education inspections, HMI 2619, January 2006

SACREs and self-evaluation: A guide, HMI 2467, September 2005

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