



Department
for Education

Department for Education mid-year report to Parliament

Chris Wormald, Permanent Secretary

April to September 2013

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Executive Summary

The Department for Education (DfE) continues to make good progress against its six priorities set by the coalition. In addition to delivering against these priorities the department has continued to drive forward the wider reform agenda. Substantial progress has been achieved in support of the recommendations set out in the DfE Review which was published in November 2012. We continue to deliver improvements and efficiencies and are on track to secure at least a 50% reduction in our Administrative expenditure by 2015-16. The pace of change has been very rapid during the six months to September, particularly for staff within the department. The pace and scale of this change has influenced elements of our staff survey results.

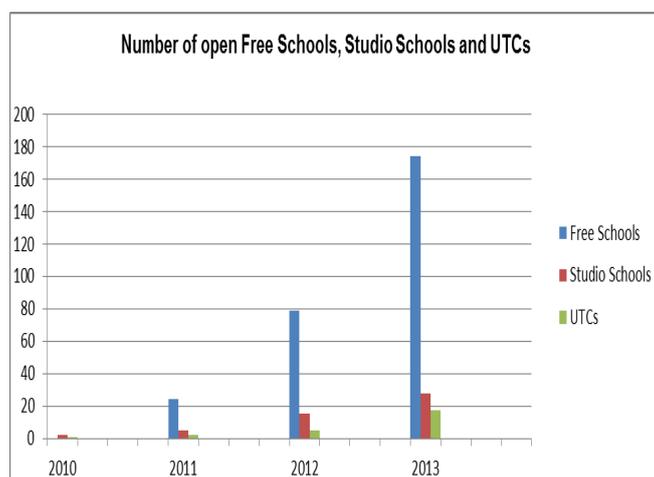
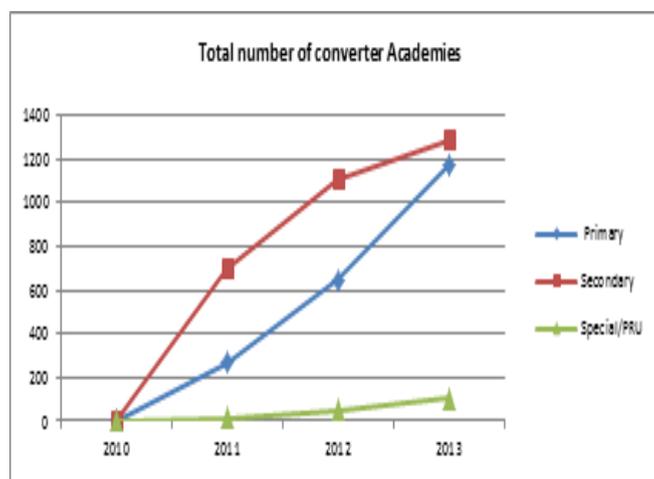
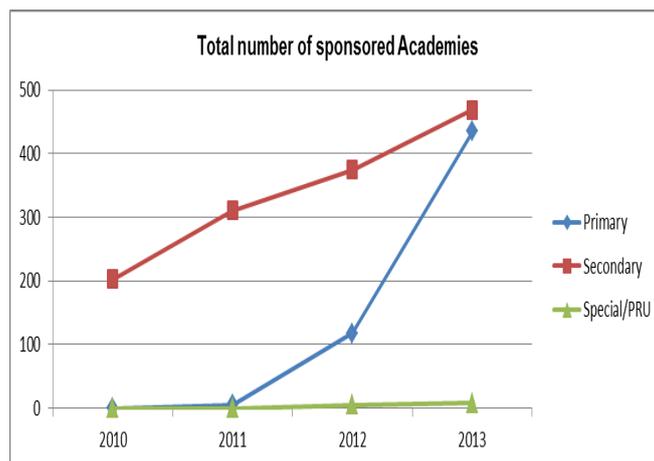
Performance

The six Department for Education coalition priorities are set out below with key achievements across the mid-year reporting period. The full list of input and impact indicators is shown in annex A.

Coalition Priority - Increase the number of high quality schools and introduce fair funding

Achievements April to September 2013:

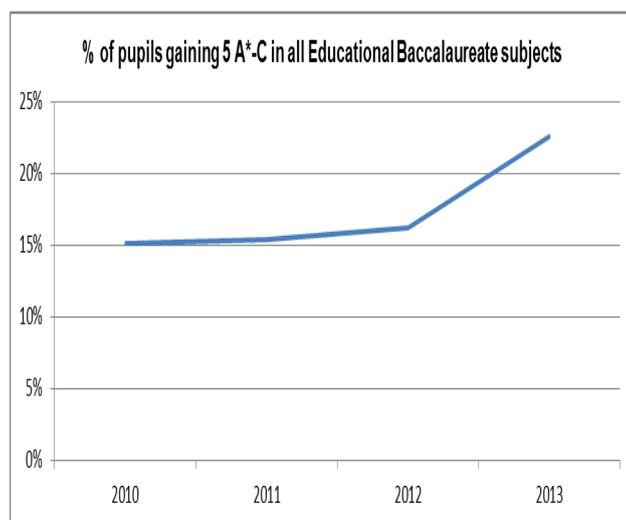
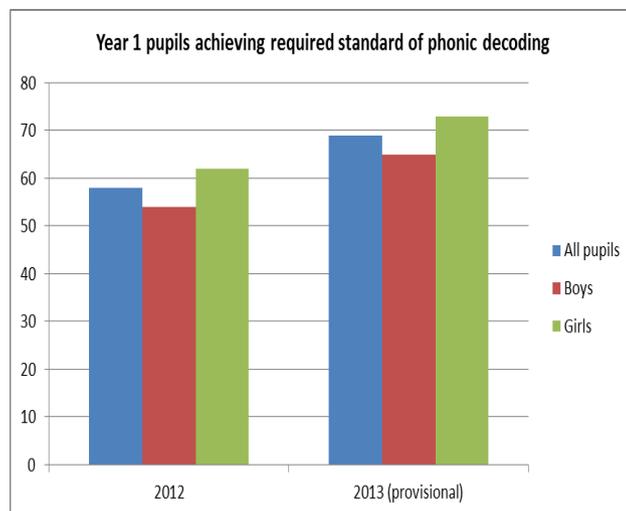
- 390 academies opened (219 converters and 171 sponsored academies).
- Secured 32 new academy sponsors.
- 400 failing primary schools open, or on the way to opening, as academies, in 2013.
- Announced the successful Targeted Basic Need applications on 18 July 2013.
- Implemented major reform of the schools funding system in 2013-14, and (in June) announced further improvements for 2014-15. The proportion of schools' funding which is allocated on pupil needs increased from 71% in 2012-13 to 90% in 2013-14.
- Ofsted Section 5 inspections for the first free schools which opened in September 2011 found 75% of schools to be good or outstanding.
- Opened the largest ever number of new schools (118) – 93 free schools, 13 Studio Schools and 12 University Technical Colleges (UTCs).



Coalition Priority - Reform the school curriculum and qualifications

Achievements April to September 2013:

- The national curriculum review concluded with the new national curriculum published on 11 September 2013 for first teaching in September 2014.
- There were improved results in key stage 1 (KS1) and key stage 2 (KS2) tests and a sharp increase in those passing the Year 1 phonics check from 58% in 2012 to 69% in 2013.
- Reforms to GCSEs have prioritised English language, English literature and mathematics. New content for those subjects was published on 1 November, on track for first teaching from 2015. GCSEs in other subjects (including English Baccalaureate (EBacc) subjects will be reformed for first teaching from September 2016.
- A and AS levels: Awarding Organisations (AOs) have started the 6-8 month development period for new linear stand-alone qualifications in the high volume subjects (except maths and languages) for first teaching from September 2015. Maths, languages and other subjects will be available the following year.
- The proportion of state school students entering for the EBacc combination of subjects rose to 35.4% (from 21.8% in 2010) on the basis of provisional figures. The proportion achieving the EBacc rose to 22.6% (from 15.1% in 2010).



Coalition Priority - Reduce bureaucracy and improve accountability

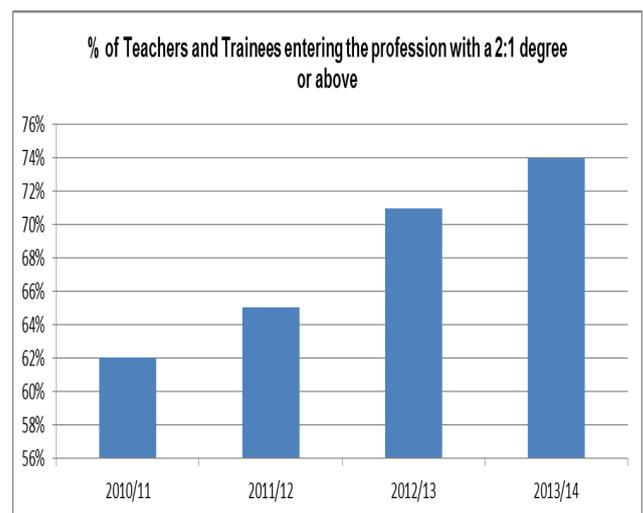
Achievements April to September 2013:

- Her Majesty's Chief Inspector announced that the percentage of schools rated as good and outstanding has risen to 78% (from 70%) and the number of schools graded 'requires improvement' has fallen to 19%.
- Revised school inspections handbook published for the autumn 2013 term, covering what constitutes good progress, a new focus on attitudes to learning linked to behaviour, strengthens guidance on KS1 assessment and introduces a new focus on middle leadership.
- Governors' Handbook published in May, replacing the Governors' Guide to the Law and including guidance for both academies and maintained schools.

Coalition Priority - Train and develop the professionals who work with children

Achievements April to September 2013:

- The total number of initial teacher training entrants in 2012/13 was 34,880. This included 20,480 on a primary programme (98% of the target) and 13,350 on a secondary programme (107% of target). The final numbers reflected small adjustments from provisional data published in November 2012.
- Provisional data¹, published in November 2013, shows:
 - The total number of new entrants who have started, or expect to start, a primary or secondary initial teacher training programme in the academic year 2013/14 is 33,110 (96% of the target).
 - The number of new entrants who have started, or expect to start, a primary programme is 19,820 (96% of the target), and the number of new entrants who have started, or expect to start, a secondary programme is 13,300 (96% of the target).
 - The proportion of postgraduate new entrants with a first class or 2:1 classified UK degree is 74%, compared with 71% in 2012/13 and 66% in 2011/12.



¹ Provisional data will be updated at the end of the academic year and published in November 2014.

- We have over recruited against expectations in some subjects such as English (128% of target achieved), chemistry (127%) and history (143%) Acceptances for priority subjects in 2013/14 are down against the Teachers Supply Model (TSM), in particular physics (72% of target achieved), computer science (57%), maths (90%) and modern foreign languages (83%).
- Bursaries and scholarships for 2014/15 were announced on 17 October 2013 and increased bursaries in subjects where greater numbers of good quality applicants are required.
- Demand for School Direct places in 2014/15 is up from approximately 10,000 in 2013/14 to 18,000 in 2014/15.
- The Secretary of State gave oral evidence to the School Teachers Review Body (STRB) on 23 September. STRB will report on the reform of leadership pay, allowances and non-pay conditions in January 2014.
- Social Worker programme delivery: over 3,000 expressions of interest from potential 'Frontline' candidates and 'Step Up to Social Work' cohort on track to have over 300 participants.
- New Chief Social Worker appointed and in post.
- Early years: Delivery of reforms announced in 'More Great Childcare' is on track – 2,327 (97% of target) trainee Early Years Teachers and 16 'Teach First in the early years' candidates recruited for 2013/14.

Coalition Priority - Introduce new support for the Early Years

Achievements April to September 2013:

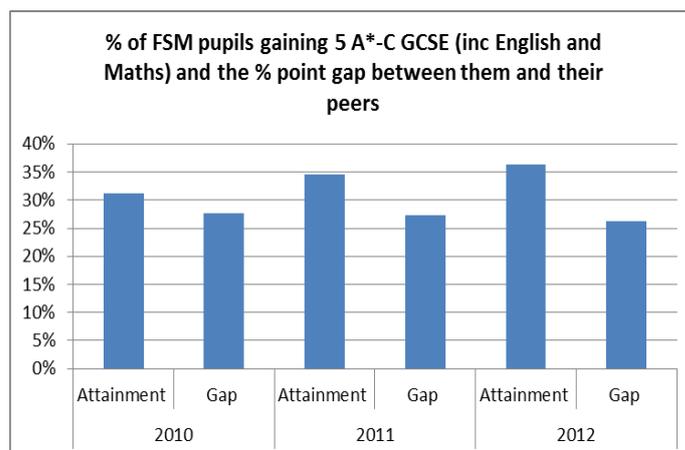
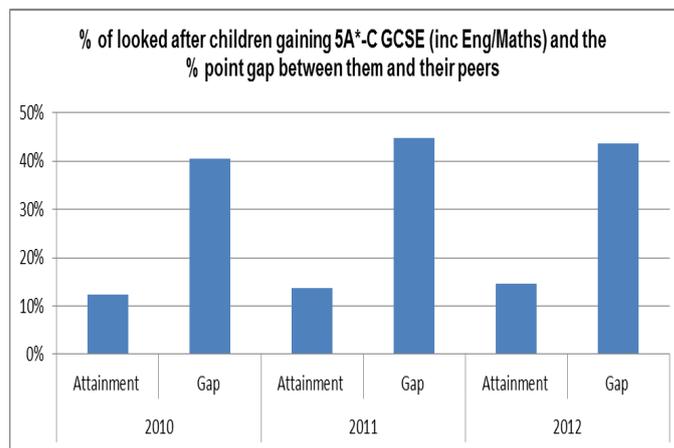
- 'More Affordable Childcare' was published on 16 July 2013, completing the Childcare Commission's work and setting out Government plans to reduce regulation, help parents with the cost of childcare and encourage growth in supply.
- On 1 September statutory entitlement to early learning for 20% of two year olds came into effect.

Coalition Priority - Improve support for children, young people and families, focusing on the most disadvantaged

Achievements April to September 2013:

- The revised Special Educational Needs (SEN) Code of Practice and draft regulations were published for consultation on 4 October 2013.
- The Children and Families Bill (containing new SEN provisions) has completed Report Stage in the House of Lords.
- Consultation launched on placement stability, including proposals to improve the legal position of long term foster care and increasing the requirements for children returning home from care.

- Strategy on care leavers published in October 2013; this includes the launch of a joint fund with Cabinet Office to support initiatives to help care leavers.
- An Innovation Programme was launched by the department during October 2013. This looks at new ways of delivering services for children in care to improve outcomes.
- The Pupil Premium for looked after children increased to £1,900 and widened to those in care for one day or more.
- The attainment gap between pupils receiving free school meals (FSM) and their peers at KS1 has narrowed between 2011 and 2013 by 3 percentage points in reading and writing (15% to 12% in reading, 18% to 15% in writing).
- 1,997 schools delivered summer schools, attended by 58,200 disadvantaged pupils – a significant increase on 2012 (1,780 schools and 39,000 disadvantaged pupils) – around 50% of all disadvantaged Year 7s reached.
- The Education Endowment Foundation 2012-13 annual report shows that 37 project grants were awarded (23 on literacy catch-up) involving 900 schools and over 66,000 pupils.



Financial Performance

Table 1: Year to date expenditure against Main Estimate Plan

	Resources (£'000)			Capital (£'000)		
	Annual Plan 2013-14	Actual April to September 2013-14	Actual April to September 2012-13	Annual Plan 2013-14	Actual April to September 2013-14	Actual April to September 2012-13
Total Departmental Expenditure Limit (DEL)- Voted	53,266,962	27,412,893	26,798,374	3,982,600	2,059,551	2,356,050
Activities to Support All Functions	311,511	117,899	137,082	14,970	950	1,760
School Infrastructure and Funding of Education (Department)	174,185	89,342	424,569	301,297	4,255	10,170
Education Standards, Curriculum and Qualifications (Department)	353,564	151,128	109,711	-	-	10,000
Children's Services and Departmental Strategy (Department)	435,355	127,007	1,267,137	-	3	25,901
Children's Services and Departmental Strategy (NDPB) ²	127,276	60,766	60,956	-	-	-
Departmental Unallocated Provision	-	-	-	580	-	-
Standards and Testing Agency	45,517	26,099	24,880	-	-	-
National College for Teaching and Leadership	516,454	229,301	217,463	665	37	199
Education Funding Agency- excluding Academies	38,154,047	20,285,059	19,881,100	3,356,134	1,769,817	2,110,138
Academies ³	13,149,053	6,326,292	4,675,476	308,954	284,489	197,882
Total Departmental Expenditure Limit (DEL)- Voted	53,266,962	27,412,893	26,798,374	3,982,600	2,059,551	2,356,050
	Resources (£'000)			Capital (£'000)		
	Annual Plan 2013-14	Actual April to September 2013-14	Actual April to September 2012-13	Annual Plan 2013-14	Actual April to September 2013-14	Actual April to September 2012-13
Total Annually Managed Expenditure (AME)- Voted	-16,385	-14,369	-13,460	-	-	-
Activities to Support all Functions (Department)	-16,385	-13,261	-13,380	-	-	-
Activities to Support all Functions (NDPB) ¹	-	-685	-80	-	-	-
Executive Agencies	-	-423	0	-	-	-
Total Annually Managed Expenditure - Voted	-16,385	-14,369	-13,460	-	-	-
Of Which Admin	379,956	156,517	166,640			
Net Cash Requirement	56,406,886	30,838,590	30,038,851			

² Children and Family Court Advisory and Support Services (Cafcass) and the Office of the Children's Commissioner (OCC) are both Non Departmental Public Bodies (NDPBs)

³ The annual plan is based on the initial allocation of grants paid to academy trusts. The budgets will be changed in the Supplementary Estimate based on the Budget Forecast Returns that were received in November 2013.

Management Commentary

The Financial Performance table sets out against the Main Estimate for 2013-14 and the comparable position for the six months to 30 September 2012.

Resource

Administration Expenditure (Admin)

The Admin data in the table shows that the department is on track to deliver its Admin expenditure within budget in 2013-14. There are a number of exit payments that will be made towards the end of the year following the decision, as part of the DfE Review, to close the following sites: Histon, Guildford and Runcorn. This accounts for the proposed higher expenditure in the second half of the year as shown in the table under the heading 'Of which Admin'.

The DfE Review was launched in June 2012 to consider how best we can continue to deliver the Government's priorities while meeting the challenges of budget pressures and civil service reform. By making the department as efficient and effective as it can be, we will be better able to protect the front line from cuts and ensure we secure best value for taxpayers' money. The review sought to reduce the Admin costs of the department by 50% in real terms from 2010-11 by 2015-16. The Admin data in the table shows that we are on track to deliver this; to date the admin budget has reduced by 32% in real terms (excluding depreciation).

Programme Expenditure

At 30 September 2013 our Programme position was in line with our plans for 2013-14. The most notable change, when compared to the same period last year, is a £1bn reduction in the Children's Services and Departmental Strategy line; this is as a result of the responsibility for the Early Intervention Grant moving from the department to the Department for Communities and Local Government (DCLG).

Government reporting now requires the department to include the accounts of all academy trusts with the departmental consolidation. The production of the first set of consolidated accounts for 2012-13, including academy trusts, will be laid in Parliament in January 2014. Consistent with this change, our Estimate will be updated to include expected academy trust expenditure rather than the value of grants and funding paid to these bodies. Our Supplementary Estimate will also allow the department to make changes to the Main Estimate budgets⁴. This will involve movements between lines as well as movements into and out of the department. It will also involve a change to our

⁴ The Supplementary Estimate position will be finalised in January 2014.

Annually Managed Expenditure (AME) budget to ensure that we have sufficient budget cover for movements on the pension liability for academies.

One of the main movements will be between the academies budget line and the Education Funding Agency's (EFA) budget line, where the funding for maintained schools is held, to reflect the updated number of academy openers expected for 2013-14.

Capital

The capital position for the six months to 30 September 2013, reflected in the table 2, shows that we are broadly in line with our spending plans for this financial year. At 30 September 2012 we were in a similar position.

We now have a capital settlement up to 2021 and have put in place a capital strategy to cover the same period that sets out spending plans.

Cash

The department's net cash requirement limit is currently £56.4bn, and at the end of September our net cash payment flows was just over 54% of the annual requirement. The fact that we have spent more than 54% of our cash requirement after six months reflects the annual peak in payments at the start of the academic year. The start of each academic term tends to see an increase in grant expenditure, but particularly so in September when the EFA issue funding to new academy trusts. We do not expect to exceed our annual cash requirement.

Major Projects

DfE has two Major Projects, Building Schools for the Future (BSF) and the Priority School Building Programme (PSBP).

The latest information on these programmes is published on the [transparency section of the Gov.uk website](#). The information published here forms part of the Major Projects Authority Report. BSF is nearing completion and the remaining projects are monitored by the Education Funding Agency of the DfE. The PSBP is a centrally procured programme to rebuild 261 schools in the worst condition. The programme design will secure savings in procurement, compared to BSF. The majority of the programme is funded by capital grant; part of the programme is funded through private finance contracts that will last for a 25 year period and include funding to maintain buildings over that period as well as the repayment of the initial construction costs.

People

Table 2: Workforce Information

Whole Department Family Workforce Size⁵		30 Sept 2013	31 Mar 2013	30 Sept 2012	31 Mar 2012
Numbers					
Payroll Staff	Department and Agencies	3,337	3,734	3,732	2,674
	Non departmental public bodies	1,698	1,694	1,679	3,110
	Department Family	5,035	5,428	5,411	5,784
£'s					
Average Payroll Staff Costs (September costs calculated as Apr-Sept x2)		53,129	53,731	53,989	52,454
Numbers					
Contingent Labour (Admin and Clerical, Interim Managers, Specialist Contractors)	Department and Agencies	189	181	159	27
	Non departmental public bodies	194	208	189	267
	Department Family	383	390	349	294
£'s					
12 Month Contingent Labour Staff Costs		16,667,396	20,930,593	21,748,285	23,389,451

⁵ March 2012 includes workforce data for one Executive Agency only. From April 2012 three additional Executive Agencies were established and their workforce numbers are included from April 2012.

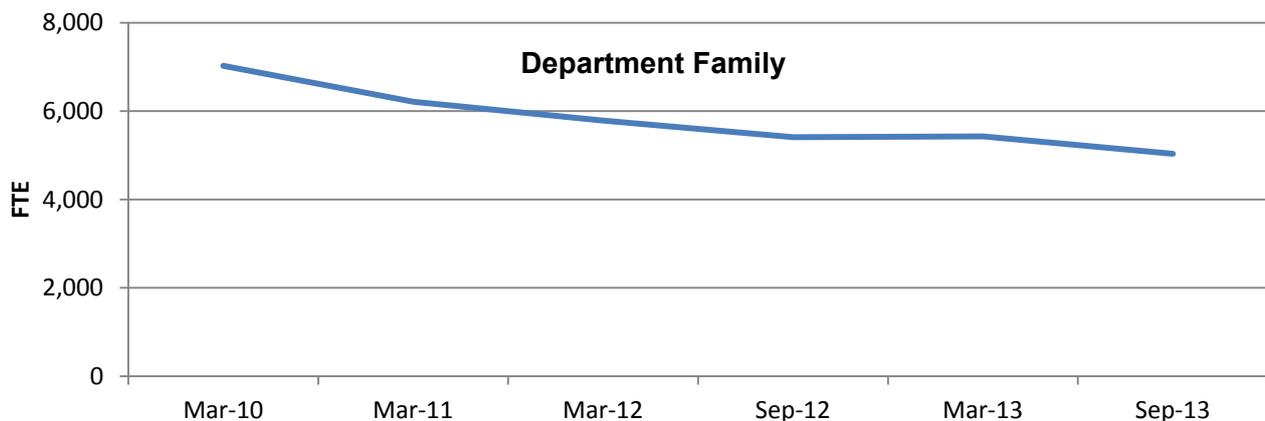
Department and Agencies Only ⁶		30 Sept 2013	31 Mar 2013	30 Sept 2012	31 Mar 2012
Numbers					
Workforce Shape	Administrative Assistants and Officers	159	222	206	181
	Executive Officers	582	603	622	445
	Higher and Senior Executive Officers	1,387	1,594	1,587	1,154
	Grade 7/6	1,074	1,156	1,148	774
	Senior Civil Servants	136	159	170	120
	Part Time (%)	14%	14%	14%	15%
Workforce Dynamics	Recruitment Exceptions (12 months to date)	238	297	317	446
	Annual Turnover Rate (%)	20.5%	11.3%	11.9%	9.8%
Department and Agencies Only		30 Sept 2013	31 Mar 2013	30 Sept 2012	31 Mar 2012
% of workforce					
Workforce Diversity	Black and Minority Ethnic	16.9	16.4	16.3	12.8
	Women	58.3	59.4	59.6	58.3
	Disabled	11.8	11.5	6.0	6.7
Diversity of Senior Civil Servants only	Black and Minority Ethnic	4.3	3.6	4.2	3.9
	Women	45.7	49.1	48.6	52.4
	Women (Top Management Posts)	43.8	42.9	45.2	46.0
	Disabled	6.4	5.4	5.2	2.4
Numbers					
Average Working Days Lost	Actual	4.6	4.3	4.8	4.8
	Standardised	not available	7.0	7.5	8.3

⁶ March 2012 includes workforce data for one Executive Agency only. From April 2012 three additional Executive Agencies were established and their workforce numbers are included from April 2012.

Department and Agencies : People Survey Metrics		2013	2012
		% of workforce	
Engagement Index (%)		51	56
Theme Scores (%)	Leadership and Managing Change	32	36
	My Work	74	73
	My Line Manager	68	69
	Organisational Objectives and Purpose	81	80

Management Commentary

The increase in workforce size in the department and its agencies between 31 March 2012 and 30 September 2012 reflects the creation of four new executive agencies within the department by 1 April 2012 alongside the closure of 11 arm's length bodies (ALBs). Taken together, these changes enabled significant reductions in workforce for the departmental family as show in the graph below.



The total number of staff on payroll in the department and its Agencies has reduced by a further 395 staff between September 2012 and September 2013. This reflects the plans that were set out in the DfE Review to raise capability and performance and reduce costs. These plans underpin the work to achieve a 50% reduction in administration expenditure by the end of 2015-2016. Further staff reductions are likely in 2014-2015 as a result of planned site closures and other efficiencies. The proportion of BME and disabled staff in the workforce has increased during this period.

The department's engagement index has fallen, from 56% to 51%. The department has experienced a significant amount of change following the DfE Review and it would be expected that this would have an impact on staff engagement. The impact of this change is also reflected in the four point decrease in in the Leadership and Managing Change theme score. Leadership and Managing Change will be a clear area of focus for the department over the next 12 months. However other scores remain strong or have risen: opportunities for learning and development; connection to the job; understanding of organisational objectives; satisfaction with the total benefits package and relationships within teams.

We are now examining the data in more depth to formulate plans to respond to the results at every level within the department and will encourage dialogue with staff at a local level.

As noted in the finance section of this report, from 2012-13 the annual accounts of the department will include the accounts of academy trusts. This change will see over 250,000 academy staff being included with the staff information for the first time. For the purposes of this report none of these staff have been included in the above tables.

Annex A: Input and Impact Indicators

The department has adopted the following input and impact indicators to help the public assess the effects of policies and reforms on the cost and impact of public services. These indicators and the other data specified here and in our open data strategy are regularly published online.

Impact Indicator: Attainment of ‘the basics’ at ages 11, 16 and 19

- i. Percentage of pupils achieving Level 4 or above in reading, writing and mathematics at age 11
- ii. Percentage of pupils achieving A*-C GCSE in English and mathematics at age 16
- iii. Percentage of young people who have attained a full level 3 qualification by age 19
- iv. Percentage of young people who have not attained a level 2 qualification in English and mathematics at age 16, who go on to attain level 2 or a higher qualification in both by the end of the academic year in which they turn 19

Impact Indicator: Attainment beyond the basics at ages 16 and 19

- i. Percentage of pupils achieving the English Baccalaureate at age 16
- ii. Attainment beyond the basics at age 19

Impact Indicator: Attainment gap at ages 11, 16 and 19

- i. Attainment gap at age 11 between free school meal pupils and the rest
- ii. Attainment gap at age 16 between free school meal pupils and the rest
- iii. Attainment gap at age 19 between free school meals pupils and the rest
- iv. Attainment gap at age 11 between looked after children and the rest
- v. Attainment gap at age 16 between looked after children and the rest

Impact Indicator: Outcome of education

- i. Percentage of children on free school meals progressing to Oxford or Cambridge
- ii. Percentage of children on free school meals progressing to a Russell Group university
- iii. Percentage of children on free school meals progressing to any university
- iv. Participation in education and work based training at age 16 to 17

Impact Indicator: School quality

- i. Number of primary schools below the floor standard
- ii. Number of secondary schools below the floor standard
- iii. Attainment gap between schools with the greatest and the least proportions of disadvantaged pupils

Impact Indicator: Factors affecting education

- i. The percentage of overall absence in primary, secondary and special schools
- ii. Proportion of pupils in alternative provision (includes Pupil Referral Units) achieving level 1 in functional English and mathematics
- iii. Proportion of pupils in alternative provision (includes Pupil Referral Units) achieving level 2 in functional English and mathematics

Impact Indicator: Academies/free schools

- i. Number of academies opened nationally
- ii. Number of free schools opened nationally
- iii. Academies and free schools opened nationally as a percentage of all mainstream schools

Impact Indicator: School readiness at age 5

- i. Percentage of children achieving a 'good level of development' in the early years foundation stage by free school meal eligibility
- ii. Percentage of year 1 children meeting the expected standard in the phonics screening check by Free School Meal eligibility

Impact Indicator: Vulnerable children and young people indicator:

Absence for looked after children, a sub-set of the vulnerable children and young people group. A more robust performance information framework for children's safeguarding is being developed with first data publication planned for 2014. Data on attainment and absence for looked after children, a subset of the vulnerable children and young people group, are available.

Input Indicator: 3-4 year old aggregate spending

Input Indicator: Schools aggregate spending (excluding Pupil Premium)

Input Indicator: Schools aggregate spending (Pupil Premium)

Input Indicator: 16-19 year old aggregate spending

The aggregate Government investment per financial year for 16-19 participation in education and training



Department
for Education

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