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# Department for Education

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## Introduction

1. This Estimate provides for expenditure by the Department for Education (including its associated agencies), in pursuit of the functions reflected in the section headings. It also provides for administrative expenditure by those bodies used in implementing and evaluating policy and on central services.

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## Part I

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	Voted	Non-Voted	Total
<b>Departmental Expenditure Limit</b>			
Resource	54,479,822,000	-	54,479,822,000
Capital	5,030,150,000	-	5,030,150,000
<b>Annually Managed Expenditure</b>			
Resource	-19,122,000	-	-19,122,000
Capital	-	-	-
<b>Total Net Budget</b>			
Resource	54,460,700,000	-	54,460,700,000
Capital	5,030,150,000	-	5,030,150,000
<b>Non-Budget Expenditure</b>	-		
<b>Net cash requirement</b>	<b>58,913,058,000</b>		

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Amounts required in the year ending 31 March 2015 for expenditure by Department for Education on:

### Departmental Expenditure Limit:

#### Expenditure arising from:

Capital, recurrent payments and loans and associated non cash items in support of the Department's objectives for primary, secondary, tertiary and international education; children's services, including Early Years and Sure Start; Young Peoples services and welfare; curriculum; qualifications and the inspection regime; workforce development and reform; and pension costs for voluntary services overseas (VSO) participants. Expenditure covers both the Department itself, its Executive Agencies and Arms Length Bodies (ALBs), the Children's Commissioner and expenditure associated with Academy activities; together with residual costs from ALBs being closed; loans to educational establishments. Expenditure also covers administration costs and associated non cash items, for the Department, its Executive Agencies and ALBs, and for administration of the Teachers' Pension Scheme.

#### Income arising from:

Contributions towards and receipts from the three National Executives, other Government Departments and other sources (including the EC) in connection with a range of educational, training, youth support, children and family programmes and initiatives in UK and overseas; Early Intervention Foundation receipts. Income associated with Academy activities. Income also derives from sales of products and publications; rent, sales receipts and profits from surplus Departmental or former ALB properties, equipment or other assets (including some repayment of proceeds of sale), rental income from properties at the European School at Culham and repayments of grant overpaid in previous years. Receipts associated with the closure of departmental ALB's. General administration receipts, including from Teachers TV, recoveries from services provided to Sure Start, international receipts, Schools Standards Fund receipts and Music Manifesto Champion. Recovery of salaries and associated costs for seconded staff.

## Annually Managed Expenditure:

### Expenditure arising from:

Take up and maintenance of Departmental, Executive Agencies and ALB's provisions and associated non cash items. Impairments, tax and pension costs for the Department, it's ALB's and Executive Agencies. Provisions, impairments, tax and pension costs associated with Academy activities and associated non cash items.

**Department for Education** will account for this Estimate.

	<b>Voted Total</b>	<b>Allocated in Vote on Account</b>	<b>Balance to complete or surrender</b>
<b>Departmental Expenditure Limit</b>			
Resource	54,479,822,000	24,010,952,000	<b>30,468,870,000</b>
Capital	5,030,150,000	2,003,670,000	<b>3,026,480,000</b>
<b>Annually Managed Expenditure</b>			
Resource	-19,122,000	-	<b>-19,122,000</b>
Capital	-	-	-
<b>Non-Budget Expenditure</b>	-	-	-
<b>Net cash requirement</b>	<b>58,913,058,000</b>	<b>26,014,622,000</b>	<b>32,898,436,000</b>

## Part II: Subhead detail

£'000

2014-15 Plans									2013-14 Provisions	
Resources						Capital			Resources	Capital
Administration			Programme			Gross	Income	Net	Net	Net
Gross	Income	Net	Gross	Income	Net					
1	2	3	4	5	6	7	8	9	10	11
<b>Spending in Departmental Expenditure Limits (DEL)</b>										
<b>Voted expenditure</b>										
331,784	-6,839	324,945	54,242,115	-87,238	54,154,877	5,030,150	-	5,030,150	52,735,780	3,982,599
<i>Of which:</i>										
A Activities to Support all Functions										
230,119	-6,839	223,280	35,490	-	35,490	15,140	-	15,140	298,270	6,129
B School Infrastructure and Funding of Education (Department)										
-	-	-	176,936	-22	176,914	15,000	-	15,000	176,894	80,083
C Education Standards, Curriculum and Qualifications (Department)										
-	-	-	399,378	-70,602	328,776	-	-	-	183,118	-
D Children's Services and Departmental Strategy (Department)										
-	-	-	427,625	-	427,625	-	-	-	305,647	-
E Children's Services and Departmental Strategy (NDPB) (Net)										
1,841	-	1,841	1,083	-	1,083	-	-	-	2,895	-
F Standards and Testing Agency										
5,316	-	5,316	45,723	-21	45,702	-	-	-	45,581	-
G National College for Teaching and Leadership										
20,136	-	20,136	481,229	-2,531	478,698	-	-	-	480,530	-
H Education Funding Agency - Excluding Academies										
74,372	-	74,372	37,784,880	-14,062	37,770,818	4,502,337	-	4,502,337	37,982,337	3,456,573
I Academies (Net)										
-	-	-	14,889,771	-	14,889,771	497,673	-	497,673	13,260,508	439,814
<b>Total Spending in DEL</b>										
331,784	-6,839	324,945	54,242,115	-87,238	54,154,877	5,030,150	-	5,030,150	52,735,780	3,982,599
<b>Spending in Annually Managed Expenditure (AME)</b>										
<b>Voted expenditure</b>										
-	-	-	-19,122	-	-19,122	-	-	-	243,371	-
<i>Of which:</i>										
J Activities to Support all Functions (Department)										
-	-	-	-18,016	-	-18,016	-	-	-	-22,723	-
K Executive Agencies										
-	-	-	-1,106	-	-1,106	-	-	-	-2,100	-
<i>Activities to Support all Functions (NDPB)</i>										
-	-	-	-	-	-	-	-	-	-18	-
<i>Academies (Net)</i>										
-	-	-	-	-	-	-	-	-	268,212	-
<b>Total Spending in AME</b>										
-	-	-	-19,122	-	-19,122	-	-	-	243,371	-



## Part II: Resource to cash reconciliation

£'000

	2014-15 Plans	2013-14 Provisions	2012-13 Outturn
<b>Net Resource Requirement</b>	<b>54,460,700</b>	<b>52,979,151</b>	<b>50,978,287</b>
<b>Net Capital Requirement</b>	<b>5,030,150</b>	<b>3,982,599</b>	<b>4,259,986</b>
<b>Accruals to cash adjustments</b>	<b>-577,792</b>	<b>-1,041,799</b>	<b>-556,670</b>
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-26,020	-28,795	-30,215
New provisions and adjustments to previous provisions	-	-	-99,962
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-450	-500	-1,020
<i>Adjustment for NDPBs:</i>			
Remove voted resource and capital	-15,405,368	-13,991,011	-10,744,544
Add cash grant-in-aid	14,834,924	12,953,684	10,438,810
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	46
Increase (+) / Decrease (-) in debtors	-	-	-90,784
Increase (-) / Decrease (+) in creditors	-	-	-55,664
Use of provisions	19,122	24,823	26,663
<b>Removal of non-voted budget items</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Of which:</i>			
Consolidated Fund Standing Services	-	-	-
Other adjustments	-	-	-
<b>Net Cash Requirement</b>	<b>58,913,058</b>	<b>55,919,951</b>	<b>54,681,603</b>

## Part III: Note A - Statement of Comprehensive Net Expenditure & Reconciliation Table

£'000

	2014-15 Plans	2013-14 Provisions	2012-13 Outturn
Gross Administration Costs	330,105	367,367	358,491
<i>Less:</i>			
Administration DEL Income	-6,839	-5,855	-3,943
<b>Net Administration Costs</b>	<b>323,266</b>	<b>361,512</b>	<b>354,548</b>
Gross Programme Costs	58,738,284	56,255,839	52,716,027
<i>Less:</i>			
Programme DEL Income	-87,238	-121,144	-28,688
Programme AME Income	-	-	-
Non-budget income	-	-	-60
<b>Net Programme Costs</b>	<b>58,651,046</b>	<b>56,134,695</b>	<b>52,687,279</b>
<b>Total Net Operating Costs</b>	<b>58,974,312</b>	<b>56,496,207</b>	<b>53,041,827</b>
<i>Of which:</i>			
Resource DEL	54,460,700	52,710,151	50,759,646
Capital DEL	4,513,612	3,517,056	2,063,600
Resource AME	-	269,000	218,641
Capital AME	-	-	-
Non-budget	-	-	-60
<i>Adjustments to include:</i>			
Departmental Unallocated Provision (resource)	-	-	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-	-	-
<i>Adjustments to remove:</i>			
Capital in the SoCNE	-4,513,612	-3,517,056	-2,063,600
Grants to devolved administrations	-	-	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-	-	60
Other adjustments	-	-	-
<b>Total Resource Budget</b>	<b>54,460,700</b>	<b>52,979,151</b>	<b>50,978,287</b>
<i>Of which:</i>			
Resource DEL	54,479,822	52,735,780	50,798,957
Resource AME	-19,122	243,371	179,330
<i>Adjustments to include:</i>			
Grants to devolved administrations	-	-	-
Prior period adjustments	-	-	-
<i>Adjustments to remove:</i>			
Consolidated Fund Extra Receipts in the resource budget	-	-	-
Other adjustments	-	-	-
<b>Total Resource (Estimate)</b>	<b>54,460,700</b>	<b>52,979,151</b>	<b>50,978,287</b>

## Part III: Note B - Analysis of Departmental Income

£'000

	2014-15 Plans	2013-14 Provision	2012-13 Outturn
<b>Voted Resource DEL</b>	<b>-94,077</b>	<b>-126,999</b>	<b>-32,527</b>
<i>Of which:</i>			
Administration			
Sales of Goods and Services	-660	-1,309	-955
<i>Of which:</i>			
A Activities to Support all Functions	-660	-1,309	-955
Other Grants	-308	-443	-16
<i>Of which:</i>			
A Activities to Support all Functions	-308	-443	-16
Other Income	-5,871	-4,103	-2,972
<i>Of which:</i>			
A Activities to Support all Functions	-5,871	-4,103	-2,829
G National College for Teaching and Leadership	-	-	-11
H Education Funding Agency - Excluding Academies	-	-	-132
Total Administration	-6,839	-5,855	-3,943
Programme			
Sales of Goods and Services	-2,552	-6,739	-5,879
<i>Of which:</i>			
A Activities to Support all Functions	-	-	-18
C Education Standards, Curriculum and Qualifications (Department)	-	-50	-106
F Standards and Testing Agency	-21	-1,399	-1,818
G National College for Teaching and Leadership	-2,531	-3,290	-3,937
H Education Funding Agency - Excluding Academies	-	-2,000	-
Interest and Dividends	-22	-25	-28
<i>Of which:</i>			
B School Infrastructure and Funding of Education (Department)	-22	-25	-28
Other Grants	-84,664	-114,070	-21,640
<i>Of which:</i>			
B School Infrastructure and Funding of Education (Department)	-	-	-980
C Education Standards, Curriculum and Qualifications (Department)	-70,602	-47,000	-
D Children's Services and Departmental Strategy (Department)	-	-	-929
G National College for Teaching and Leadership	-	-1,186	-
H Education Funding Agency - Excluding Academies	-14,062	-65,884	-19,731
Other Income	-	-310	-1,037
<i>Of which:</i>			
A Activities to Support all Functions	-	-	-108
B School Infrastructure and Funding of Education (Department)	-	-310	-602
C Education Standards, Curriculum and Qualifications (Department)	-	-	-324
E Children's Services and Departmental Strategy (NDPB) (Net)	-	-	-
G National College for Teaching and Leadership	-	-	-3
Total Programme	-87,238	-121,144	-28,584
<b>Total Voted Resource Income</b>	<b>-94,077</b>	<b>-126,999</b>	<b>-32,527</b>



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## Part III: Note B - Analysis of Departmental Income

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£'000

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	2014-15 Plans	2013-14 Provision	2012-13 Outturn
<b>Voted Capital DEL</b>	-	-	<b>-16,083</b>
<i>Of which:</i>			
Programme			
Sales of Assets	-	-	-11,030
<i>Of which:</i>			
A Activities to Support all Functions	-	-	-11,030
E Children's Services and Departmental Strategy (NDPB) (Net)	-	-	-
Other Grants	-	-	-104
<i>Of which:</i>			
G National College for Teaching and Leadership	-	-	-104
Repayments	-	-	-4,949
<i>Of which:</i>			
B School Infrastructure and Funding of Education (Department)	-	-	-4,949
Total Programme	-	-	-16,083
<b>Total Voted Capital Income</b>	<b>-</b>	<b>-</b>	<b>-16,083</b>

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## Part III: Note C - Analysis of Consolidated Fund Extra Receipts

In addition to income retained by the Department the following income is payable to the Consolidated Fund:

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	2014-15 Plans		2013-14 Provisions		2012-13 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
Income in budgets surrendered to the Consolidated Fund (resource)	-	-	-	-	-	-
Income in budgets surrendered to the Consolidated Fund (capital)	-	-	-	-	-	-
Non-budget amounts collectable on behalf of the Consolidated Fund (in the SoCNE)	-	-	-	-	-60	-60
<b>Total</b>	-	-	-	-	-60	-60

### Detailed description of CFER sources

£'000

	2014-15 Plans		2013-14 Provisions		2012-13 Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
<b>Non-Budget</b>						
Income outside the ambit scope					-60	-60
<b>Total</b>	-	-	-	-	-60	-60

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## Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

<b>Accounting Officer:</b>	Mr Chris Wormald
<b>Executive Agency Accounting Officers:</b>	
Mr Ian Todd	Standards and Testing Agency
Mr Charlie Taylor	National College for Teaching and Leadership
Mr Peter Lauener	Education Funding Agency

In accordance with Chapter 3 of Managing Public Money (issued by the Treasury), the following individuals have been appointed as Accounting Officers of the department's ALBs.

<b>ALB Accounting Officers:</b>	
Dr Maggie Atkinson	Office of the Children's Commissioner

**Academy Accounting Officers:**  
The Head Teacher of each Academy is designated as the Accounting Officer.

**Federation Academy (Groups) Accounting Officers:**  
The CEO of each Federation Academy (Academy Group) is designated as Accounting Officer. An individual Head Teacher of an Academy within a Federation is accountable to the Accounting Officer (CEO) of the Federation Academy (Academy Group).

Mr Chris Wormald has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FReM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.

In accordance with Managing Public Money requirements, the relationship between the Principal Accounting Officer and Additional Accounting Officer(s) together with their respective responsibilities, is set out in writing. Similarly, the relationship between the Principal Accounting Officer and the ALB Accounting Officer(s) is set out in writing.

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## Part III: Note E - Arm's Length Bodies (ALBs)

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£'000

<b>Section in Part II: Subhead Detail</b>	<b>Body</b>	<b>Resources</b>	<b>Capital</b>	<b>Grant-in-aid</b>
Section E	Children's Commissioner	2,924	-	2,924
Section I	†Academies	14,889,771	512,673	14,832,000
<b>Total</b>		<b>14,892,695</b>	<b>512,673</b>	<b>14,834,924</b>

† Academies are classified to central government as Arms Length Bodies. The Education Funding Agency has responsibility for financing Academy spend, although the individual Academies are responsible for their own income and expenditure.

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## Part III: Note K - Contingent Liabilities

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Nature of liability	£'000
Non-statutory	
Contingent liabilities in connection to Private Finance Initiative (PFI) contracts to Academies. These contingent liabilities are a result of the Department providing an indemnity to the local authority for potential costs on buildings they own, with existing PFI arrangements, which will be used by the academies. This type of indemnity is considered to be low risk and is only a feature of the academies programme in very specific circumstances. These contingent liabilities only arise where an academy is using a local authority building with an existing PFI contract.	2,100,000
Free Schools Group for Principal designates. The majority of contingent liabilities recorded by Free School Group currently relate to the potential costs that maybe incurred resulting from the engagement of staff prior to the opening of a Free School e.g. head teacher /deputy head teacher. It is important that the senior staff likely to be running the school once it is opened, are involved and take forward the development of the potential Free School prior to opening. These staff will, in many cases have had to tender their resignation at an existing school to take up their post in the Free School. The Department has agreed to underwrite the salaries of these staff for up to two terms in the event that the Free School does not open as planned. Each potential liability is calculated on an individual basis for each project. Once the Free School opens the liability will expire.	330
Free School Norwich. The contingent liability that would arise from the re-instatement cost of the school building to its original condition.	110
Guarantee provided to Tottenham Hotspur Property Company in relation to a commercial lease arrangement for an Academy Trust site.	12,500
Indemnity provided to Kent County Council for any unforeseen liability to the contractor in respect of contamination, defect or asbestos presence at the Duke of York Royal Military school site.	5,000
CET Westminster - indemnity provided to the Church of England Commissioners to cover the costs / associated charges arising from defending any legal action against the Commissioners for allowing their property to be used as a free school	5,000
East London UTC - indemnity for one year to Tottenham Hotspur Property Co Ltd cover the cost of a fully serviced lease	467
A guarantee to Local Government Pension Scheme (LGPS) to meet the pension deficit if an Academy Trust closes	6,500

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### Part III: Note K - Contingent Liabilities

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Nature of liability	£'000
East London UTC - indemnity for one year to cover the cost of the design & build contract should the project be terminated before the contract is completed	5,300
Tottenham UTC - indemnity to cover the cost of the 35 year lease	16,500