12 March 2015

Graham Stuart MP
Chairman, Education Select Committee
House of Commons
Westminster
SW1A 0AA

Dear Graham

Memo for Education Select Committee on Ofsted’s Supplementary Estimate 2014/15; fine relating to a senior appointment

Please find below Ofsted’s response to your Committee’s request for further information on the Supplementary Estimate 2014/15, as well as the details of a fine relating to the appointment of a senior member of staff.

I hope you find this response helpful.

Yours sincerely

Matthew Coffey HMI
Chief Operating Officer, Ofsted
1. How will the extra £20 million being allocated to Ofsted be used to “drive up standards in education and care for children, young people and learners” as stated in your memorandum?

In April 2014 the Secretary of State for Education agreed to make available resources in 2014/15 to support the Ofsted reform programme. This agreement was made after the Main Estimate deadline and will be approved as part of the Supplementary Estimate process.

Ofsted is committed to doing more to challenge the system and help bring about world class standards for all our children, young people and learners. Since 2012/13 there have been important changes at Ofsted, including improvements to how we inspect, the reports and information we publish and our organisational structure. Together, these changes are helping us to focus our resources on what really matters: raising standards and improving lives.

At the heart of the changes we are making is the belief that ‘good’ is the only acceptable standard of provision. We have raised the bar in the inspection of schools, further education and skills and initial teacher education, for example, when we replaced the satisfactory grade with ‘requires improvement’ and set clear timescales for providers to become good or better.

We have also been clear about our responsibility for promoting improvement. We have introduced more frequent monitoring of under-performing schools and colleges, and a new programme of seminars and conferences to support their improvement. These are supported by our expert inspectors, the in-depth reports they produce and good practice case studies.

The additional funding from the Secretary of State, complemented by Ofsted savings generated from greater efficiencies in our support services and back office, will support the continued focus on additional inspection and monitoring and support of providers that require improvement.

For 2015/16 the Secretary of State has agreed to make available resources of £14m to supplement Ofsted’s budget so this vital work can continue. This figure forms part of our overall budget settlement for this year.
2. Can Ofsted explain the circumstances which led to the fine of £150,000 for not following procedures relating to a senior appointment, what the post was and who it was filled by, what impact this had, and what lessons have been learned?

The £150,000 fine relates to the fixed term appointment of a member of Ofsted’s senior team in early 2014. We agreed to match the previous salary package of the candidate and did this via standard SCS base pay and a temporary labour market supplement. We had made a small number of previous appointments in this way but with the appropriate approvals.

Unfortunately Ofsted misunderstood that HMCI, as the Accounting Officer, was able to sign off the payment given the temporary nature of both the payment and the post. We realised the error just prior to the individual’s start date and informed DfE and Cabinet Office immediately and submitted the business case to them. The final decision from the Chief Secretary to the Treasury was to allow us to honour the appointment but to fine us the equivalent of one year’s salary package. We have introduced additional internal processes, which have recently been reviewed by the National Audit Office, and linked to the Cabinet Office guidance to ensure this doesn’t happen again.

Remuneration details of all members of the Ofsted Board are published in our annual report and accounts in June.