

"I am proud to be Permanent Secretary of such a well-respected Department with such committed, hard-working staff. And I know from your feedback and from the results of this review that we can and should be even better.

I joined this Department because I want to make education and children's services in this country world class, and I know many of you work here for the same reason. To achieve this aim, we need a Department that is itself world class."

Chris Wormald Permanent Secretary

Note: This document reproduces selected paragraphs from the original.

2. The review sought to answer some fundamental questions from a zero base about the size, shape and role of central government in the education and children's sectors:
 - What should the Department do – and what shouldn't it do?
 - How should we prioritise resource against the things we should do?
 - How should we organise ourselves to do the things we have to do most efficiently?
 - How should we conduct our business in a way that empowers staff to be as efficient and effective as possible?
 - How will we continuously improve the way we do things, and in particular ensure that we can continue to be as efficient and effective as possible when priorities change?

Key findings

4. The review found many positive things about the Department. We have many talented and committed staff, our fundamental structures are fit for purpose and we have been very successful in delivering big changes to the organisation, such as Arm's Length Body (ALB) reform, whilst continuing to deliver the Department's business. But it identified areas where we can be better and remove the blockers that stop us all being as efficient as possible. It also identified the need to make sure our resources are always focused on the biggest Ministerial priorities, including by reducing our corporate overhead (particularly estate costs, Human Resources (HR), Information Technology (IT) and finance and commercial), which is high when benchmarked against both private sector and Government organisations. All of this will allow us to improve our ability to deliver Ministers' objectives and free up more money for front-line services.
5. The Department has seen significant change since the 2010 general election. We have closed 11 non-departmental public bodies (NDPBs) and established four Executive Agencies within the Department. This has been the most significant contribution to reducing our administration budget by 26% in real terms from the 2010-11 baseline. We have also substantially expanded our Academies programme, and established the Free Schools programme. The creation of the Agencies and growth of the Academies and Free Schools programmes have shifted the balance of our work from strategy creation to delivery, with around 42% of all DfE staff focused on delivery. There have been significant changes to the Directorate structure and a shift of resource from other areas to the delivery and oversight of Academies and Free Schools.
7. The review found no case for a change to the Department's

structural building blocks. We will retain three Directorates focused on improving outcomes for children and young people through reform at classroom level Education Standards Directorate – ESD), school level (Infrastructure and Funding Directorate – IFD), and in wider children's services (Children, Young People and Families Directorate – CYPFD). We will also retain the four Executive Agencies and will ensure they continue to meet our needs through the triennial review process.

We will however make some smaller changes to the way work is organised in the Department, particularly to:

- Implement the findings of the analytical review by embedding analysts fully in Directorates
 - Create a new corporate policy function, reporting to Tom Jeffery as Head of Policy Profession with DfE – bringing together, Strategy, Performance and Private Office, Strategic Analysis and Communications Groups;
 - Appoint Peter Lauener as Head of Profession and Board Member for Operational Delivery alongside his role as Chief Executive of the EFA
9. We will make it easier for people to do their jobs well by:
 - Focusing ruthlessly on Ministerial priorities and undertaking regular reprioritisation with Ministers, deploying resource more flexibly and with greater consideration of the skills and capabilities needed to meet these priorities, and being better about bringing work that Ministers no longer require to an end;
 - Removing the barriers which sap energy and prevent people being as effective as they can be so that less time is wasted on activities which add little value – like inefficient decision-making, multiple layers of clearance, and programme management for its own sake;
 - Giving people the tools to be better at the work they do, whether policy making, operational delivery or business processes; and
 - Ensuring we have the right skills and capabilities to do the job by nurturing talent, ensuring the best are selected and able to progress, and dealing effectively with poor performance, including by supporting staff to leave the Department where their performance falls consistently below new, tougher expectations.
 - Create a direct line of accountability from Corporate Services (HR, finance and commercial, IT and estates) to the Permanent Secretary; and

Removing barriers to effective working

16. Department staff highlighted to the review team a number of ways of working that sap energy and divert time away

from the things we really need to focus on, including:

- Complex governance and monitoring arrangements, with multiple lines of accountability and similar information asked for by different boards and sometimes without a clear purpose or outcome;
- Slow and laborious decision making with unclear roles and processes, sometimes linked to the multiple layers of clearance which are part of our submissions culture;
- Poor knowledge management;
- No single version of the truth because management information systems do not work the way we would like them to, meaning people waste time debating the “facts” or devising work-arounds; and
- Technology which is not always fit for purpose and does not always support cross-site working as effectively as it could.

Process effectiveness and continuous improvement

18. By March 2015 around one-quarter of schools will be Academies or Free Schools if conversion continues at its current rate. How we manage this expansion without further increasing staff resource has therefore been a key question for the review. We have already secured significant efficiencies in these areas, with a 12-fold increase in Academies and Free Schools between May 2010 and September 2012 being delivered by only a four-fold increase in staff. As we move forward we need to ensure that the processes for creating and overseeing Academies and Free Schools are further streamlined around expectations that:

- We risk assess Academies and Free Schools and differentiate the support we provide according to need;
- Sponsors, head teachers and proposer groups take on more responsibility in the pre-opening phase as well as once open;
- We standardise processes as far as possible; and
- We move to a self-service model as far as possible for managing enquiries and financial returns for open Academies, with investment in IT and web access to support this.

22. People and Change Group will put in place a framework and set of policies that will enable us to raise our capability, including:

- A comprehensive learning and development strategy;
- A new talent management strategy, aimed at identifying and supporting our most talented staff;
- Recruitment, promotion and deployment processes which rigorously test candidates against the capability and skill sets required for the DfE we are seeking to become;
- Clarifying expectations of line managers and supporting them in their role;
- Fully implementing the new performance management system, including swift action to tackle under performance; and
- Reviewing our terms and conditions and benchmarking them against industry standards, as part of the Civil Service

Reform Plan.

Conclusion: What will change?

30. While structures will remain broadly the same, changes to the way we work will make the Department feel very different. They will also make DfE a sought-after employer where staff are enabled to do a brilliant job:
- Flexible resourcing will mean greater variety and challenge, with staff given the opportunity to develop a wide range of strategy and execution skills and to progress;
 - There will be less need to maintain standing teams in anticipation of demand, and we will have more scope to respond quickly to emerging priorities and close down work that is no longer needed;
 - Inefficient processes which inhibit drive and creativity will be removed or improved;
 - Decision making will be less bureaucratic and faster, with staff unencumbered by an overly-collegiate decision making culture; and
 - We will be better at the basics of good governance, effective knowledge management and effective management information.
31. How staff experience these changes initially will depend on where they sit in the organisation and the type of work they do. For example, flexible resourcing will predominantly affect ESD and CYPFD, while IFD and the Agencies will be at the forefront of better delivery processes. At the same time staff working in corporate services will experience changes arising from the way those services are delivered to the rest of the organisation.

Implementing the changes

32. Because the recommendations of the review will mean different things in different parts of the organisation, we are expecting most implementation to be led by Directorates, Agencies and Corporate Groups. The business planning process which runs from mid-November to Christmas, with challenge and final decisions early in the new year, will provide the vehicle for Directorates, their Agencies and the Corporate Groups to set out how they will respond to the review. They will be commissioned to provide three linked plans setting out:
- The work they will do and the staff needed to do it – based on Ministerial priorities and a clear trajectory towards the staff reductions needed by May 2015. This will include clarifying where different functions are located to inform final decisions on the estates strategy;
 - What they will do to raise staff capability; and
 - How they will change their ways of working to be more efficient and effective.

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