



Education
Funding
Agency

Education Funding Agency

Summary: EFA annual report and accounts 2013 to 2014

Introduction

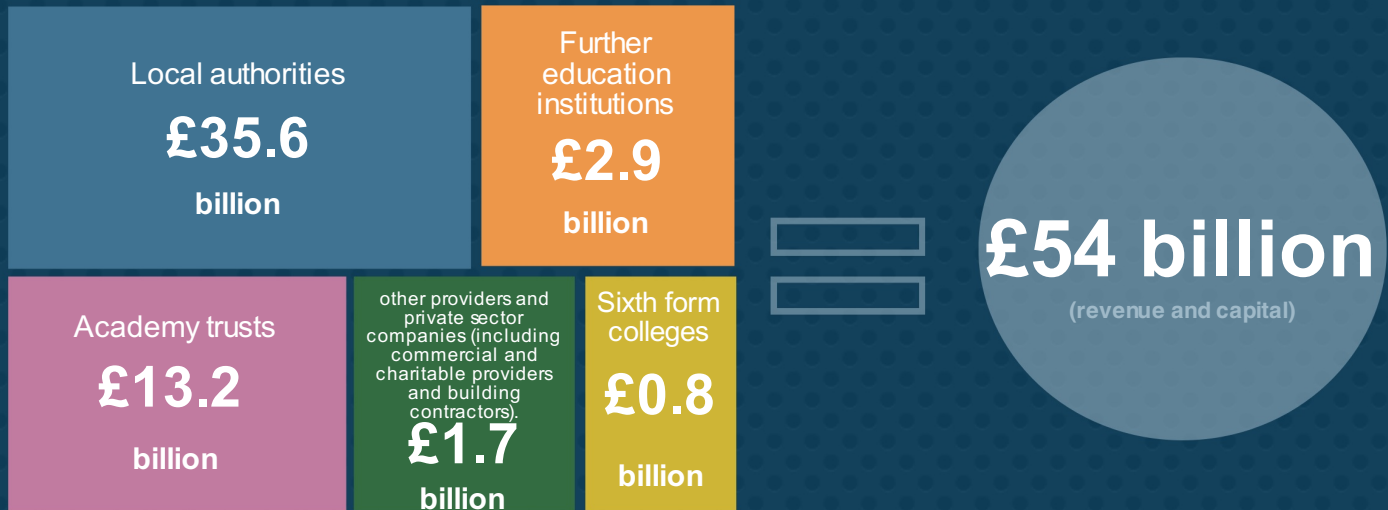
Education Funding Agency (EFA) was formed in April 2012, bringing together all education funding and capital programmes into a new executive agency, part of the Department for Education. EFA is responsible for the majority of the Department for Education's funding of the education system – £54 billion in 2013 to 2014 financial year.

We contribute to the delivery of the department's work to achieve a highly educated society in which opportunity is equal for children and young people, no matter what their background or family circumstances. We fund all state-provided education to 8 million children aged 3 to 16 and 1.6 million young people aged 16 to 19, providing additional support for high needs up to age 25 and helping to overcome the effect of disadvantage.

Our objectives are to:

- » ensure that we make accurate and timely revenue and capital funding allocations
- » ensure that we put in place funding agreements and we make payments accurately and on time
- » deliver effective programme management and evaluation of strategic capital programmes that will improve the condition of existing buildings and support the creation of new places for pupils and learners
- » ensure the proper use of public funds through financial assurance undertaken by the EFA, or by others

How is the money spent?



Key achievements in 2013 to 2014

This year EFA has improved its efficiency and effectiveness while meeting a number of considerable challenges as demands on its resources increase. We have achieved a substantial amount over the year including:

- making improvements to customer service a priority. We continued to develop arrangements for handling enquiries for academies. Since March 2013 we have seen a 44% growth in academies, however, over the same period we have only seen a 3% increase in the volume of enquires. This is as a result of better communications linked to the business cycle and forecasting
- introducing an enhanced enquiry service for institutions providing education for 16 to 19 year olds. This aims to provide a better quality, more consistent and faster service, the benefits of which have been felt during our most busy periods
- the digitisation of a number of processes as well as rewriting our website content for transition to gov.uk has made it simpler and easier to understand for our customers. This has saved costs for both academies and the EFA

- > schools are costing around 34% less than schools procured over the lifetime of the last parliament, and the number of schools has increased
- > 60% of free school sites are now secured by January of the relevant opening year: compared to earlier waves where the majority of sites were not secured before Easter. This has allowed more time for free schools' groups to prepare for a successful opening. There are now over 400 schools that we are actively working with to provide new or refurbished premises
- > timing and accuracy of payments is high with 99% made on time and with no errors, and we continue to make improvements using fewer staff and with a greater use of technology
- > accuracy of funding allocations to open academies and free schools has increased: from 37% of allocations (of 345 academies) for 2011 to 2012; to 93% (of 2,715 academies) for 2013 to 2014; to 97% (of 3,828 academies) for 2014 to 2015
- > continuing to confirm all allocations on time for approximately 3,300 institutions providing education and training for students aged 16 to 19

Consolidation activity

The EFA completed what is recognised as the largest consolidation of accounts carried out in the United Kingdom

- the consolidation included the accounts of 2,591 academy trusts
- as a result of the consolidation, a significant amount of information on academies' financial performance is now publicly available
- we consolidated the budget forecasts of over 3,000 academies for 2013 to 2014 to inform the department's supplementary estimate
- we reviewed our approach to the consolidation exercise for around 4,000 academies for 2013 to 2014, seeking to improve rather than fundamentally change our approach

Future plans

We have gone from a brand-new organisation to one which is recognised as having fulfilled most of its funding and assurance responsibilities. But we recognise that we need to continue to transform our organisation to meet future challenges successfully, and we are now ready to take the next step on the EFA's journey. We have brought together our thinking from our 4 groups and cross-cutting areas into a single change programme titled 'Fit for the Future'. It sets out the areas we need to focus on to improve further the performance and reputation of the EFA.

Therefore our priorities for 2014 to 2015 will be:

Improving our customer service by learning from the best in the private and public sectors and introducing and adapting what can work for us

Becoming experts in the use of data, systems and efficient business processes to enable us to meet the challenges of a growing customer base

Working positively with others such as the construction industry, schools, colleges and local authorities to deliver our business priorities

Developing the skills of our people: ensuring we all develop the skills we need to do our jobs to the highest professional standards

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