Value for Money Report 2020/21

This report offers further detail to supplement the statutory reporting in the Annual Report and Financial Statements. It sets out how the CEC receives, spends and leverages funding from a range of public and private sources.

1. Activities to support a sustainable national careers education system

The chart below shows the CEC's expenditure by activity in 2020/21[1], compared with 2019/20 and 2021/22 budget.

Expenditure by activity
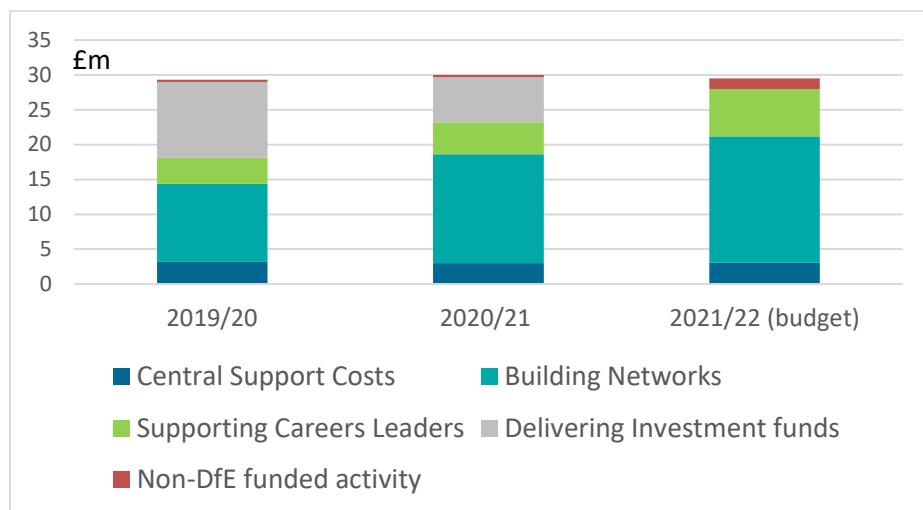
Activities comprise[2]:

- **Supporting Careers Leaders**: This work focused on the development of professional careers leadership in schools and colleges, through training, continuous professional development, digital tools, resources, and targeted support in specific areas, such as SEND. By 31 March 2021 4,104 schools and colleges had used CEC's Compass digital platform and 1,609 had used the enhanced Compass+ version at least once. 1,441 Careers Leaders had completed voluntary training and approximately 2,600 Careers Leaders, education leaders and governors had taken part in online training modules to improve their careers programmes.
- **Building Networks**: This activity further developed the infrastructure to bring together employers, schools, colleges and providers, through the roll out of Careers Hubs and Enterprise Adviser (senior business volunteer) network. By 31 March 2021 at least 2,234 schools and colleges were in a Careers Hub (45% of the total[3]); 3,381 schools and colleges were matched to an Enterprise Adviser; 324 Cornerstone Employers provided local employer leadership. *(Teams that support Careers Hubs and the Enterprise Adviser Network are co-funded by local bodies – see section 3 below).*
- **Delivering Investment Funds:** These were specific funding streams to target disadvantage and included working with over 1,000 schools and providing over 830,000 employer encounters, taking place between September 2018 and March 2021.
- **Non-DfE funded activity**: The CEC receives funds from private and third sector donors allowing it fund programmes to innovate, learn and extend its impact.

---

[1] Total expenditure aligns with the CEC's Annual Report and Financial Statements. See Appendix on funding allocations and expenditure over time.
[2] We evaluate our activities, publish and use insights to improve our programmes.
[3] Based on 4,989 total schools and colleges in England.

- **Central Support:** The central administrative functions to support delivery. These costs have stayed largely constant as activities have scaled.

Impact of Covid

The Covid pandemic had a significant impact on schools and colleges in 2020/21, who had to change from in-person to online delivery whilst accommodating specific family and student needs. In liaison with the Department for Education and other funders, the CEC developed a response to mitigate the impact on careers education. The CEC:

- Accelerated development of the online resource directory for schools, colleges and employers, including careers lessons with Oak Academy, My Week of Work, Careers in Context guides and virtual work experience resources.
- Pivoted to move all operations online, developing new ways of working through virtual training, meetings, networking and events.
- Quality assured all virtual training provision to ensure it adhered to the required learning outcomes.
- Focused on students in transition and helped schools and colleges put careers plans and programmes in place and embed careers across the curriculum.
- Encouraged employers to innovate and develop digital solutions to replace in-person workplace experiences and encourage volunteering among their furloughed and home-based staff.
- Worked with its partners and providers, allowing them to adapt their provision appropriately to take account of Covid restrictions and meet the needs of individual schools and colleges as they faced operational challenges.

2. Driving value for money

Over the past three years the CEC has kept central costs largely stable and total staffing below budget whilst increasing the reach of its main activities.

	2019/20	2020/21	2021/22 (budget/ commitment)
Central support	11%	10%	11%
Average Staff Headcount	Budgeted: 90 Actual: 84	Budgeted: 97 Actual: 90	Budgeted: 99 Projected: 93
Schools and Colleges in Careers Hubs*	1,304	2,234	3,275
Cornerstone Employers*	232	324	392
Schools and colleges partnered with a business volunteer*	3,282	3,381	3,482
Support to Careers Leaders in schools and colleges**	435 fully trained	655 fully trained 35,000 unique resource directory users	750 fully trained 47,000 unique resource directory users (projected)
Schools and colleges using CEC's digital platform at least once*	Compass: 3,689 Compass+: 525	Compass: 4,104 Compass +: 1,609	Compass: 4,267 Compass +: 2,228 (projected)

*Cumulative totals. **In-year totals. Note: Compass enables self-evaluation and national data sharing. Establishments are being upgraded to Compass+ which offers greater capability and targeting.

The CEC routinely assesses value for money, considering economy, efficiency and effectiveness including through cost control, benchmarking, best practice procurement and contract management. Examples across its activity include:

- **Central Support:** reduced over time to 10% of expenditure in 2020/21.
- **Building Networks:** by 2024, 100% of eligible schools and colleges will have the opportunity to join a Careers Hub. Local unit cost per institution in a Careers Hub[4] reduced 4% between 2019/20 and 2020/21 and is anticipated to reduce further.
- **Supporting Careers Leaders:** management of contracts with training providers has driven both at least a 5% decrease in unit costs from 2020/21 to 2021/22 and quality improvements.

For more information see our impact.

3. Leveraging additional investment into careers education

The CEC finds matched investment (financial and in-kind through pro bono support) from employers and local partners: Local Enterprise Partnerships, Combined and Mayoral Authorities and other interested actors, such as public bodies, private sector investors, trusts and foundations.
The chart below shows the CEC's leverage in 2020/21, compared with 2019/20 and 2021/22 budget.
For every £1 of DfE grant funding over the last 2 years, the CEC has leveraged an additional 41p worth of support: 22p in co-funding and investment support and 19p in estimated value of Enterprise Adviser time[5].

Base and leveraged investment by source

---
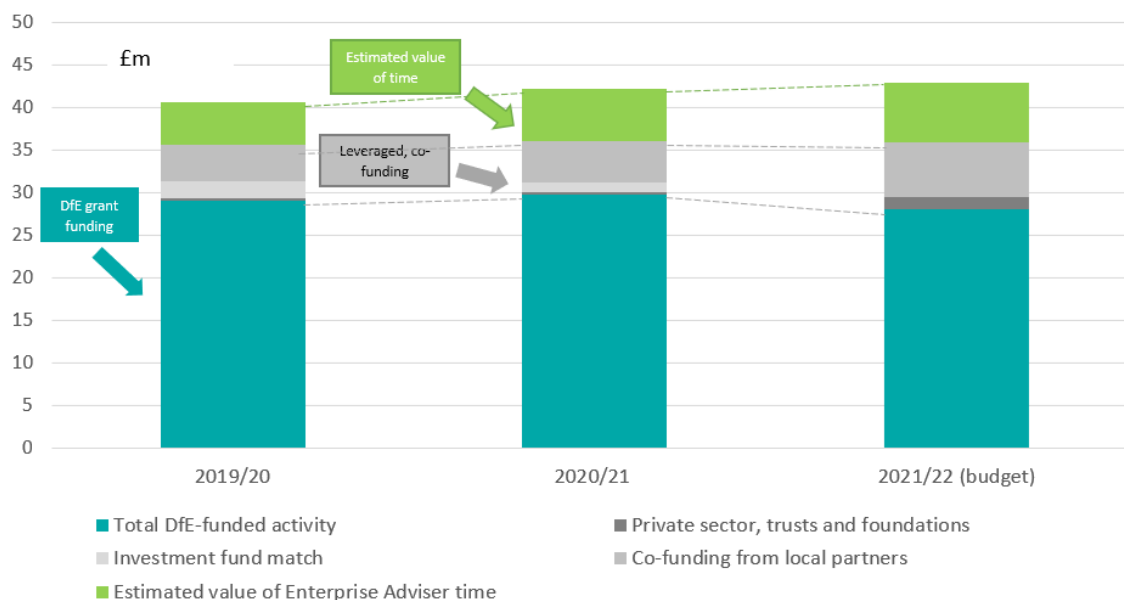
[4] This is calculated as the CEC contribution to local staffing costs to run the hub in that academic year divided by the total number of school and college hub members.

[5] Based on business volunteers spending an average of half a day per month working directly with their matched education establishments.

Appendix – Funding allocations and expenditure over time

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Grant Funding received from DfE	£5.7m	£16.0m	£18.8m	£30.2m	£21.3m	£25.9m	**£117.9m**
Spend reported in Annual Report and Financial Statements	£6.2m	£14.7m	£15.7m	£19.8m	£29.3m	£30.0m	**£115.7m**

CEC's published annual accounts differ from the funding allocated by DfE for two main reasons:

1. During the years 2016/17-2019/20 DfE allocated funding to CEC in each financial year for programmes which extended beyond the end of that year (largely to secure a full academic year of activity). Whilst income was allocated and paid in the financial year, this was recognised in CEC's accounts in the year it was spent. This caused the figures given by DfE to be:
   - higher than the reported spend in years 2016/17-2018/19, and
   - lower in 2019/20-2020/21 due to the spend down of income received in prior years.

   Income received for prior periods not yet spent is recorded as deferred income in CEC's annual accounts. CEC returned all amounts of advance funding at the end of 2020/21 to align our funding with the financial year.

2. CEC receives funds from other sources than DfE. This is the main difference in 2015/16. Due to the alignment of DfE funding to financial years, from 2020/21 non-DfE funding will be the source of any difference in future accounts.