



Estyn annual report and accounts 2024-2025

This report is also available in Welsh

The purpose of Estyn is to inspect quality and standards in education and training in Wales. Estyn is responsible for inspecting:

- nursery schools and settings that are maintained by, or receive funding from, local authorities
- primary schools
- secondary schools
- all-age schools
- maintained special schools
- pupil referral units
- independent schools
- further education
- independent specialist colleges
- adult learning in the community
- local government education services
- Welsh language immersion arrangements in local authorities
- youth work
- initial teacher education
- Welsh for adults
- apprenticeships
- learning in the justice sector

We also:

- report to Senedd Cymru and provide advice on quality and standards in education and training in Wales to the Welsh Government and others
- make public good practice based on inspection evidence

Every possible care has been taken to ensure that the information in this document is accurate at the time of publication. Any enquiries or comments regarding this document/publication should be addressed to:

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Chief Inspector's foreword

2024-2025 was a significant year for Estyn as we completed one of the more challenging and interrupted inspection cycles in our history. This was a cycle which, for many, extended to eight years or more. Although this duration was intentional and built into the design, the pandemic did cause interruptions to our planned activities during this period. I'd like to take this opportunity to both thank colleagues for their hard work in completing the cycle but also the education and training profession for their support. The cycle also saw significant steps such as the removal of summative gradings in the majority of our inspections.

The year though saw an opportunity to refresh our approach and after careful planning and consultation we made significant changes as we launched our new frameworks across many of our sectors, finding efficiencies by streamlining our inspection models. The introduction of the Interim Visit in schools and PRUs was a notable achievement. We continued to innovate, further improving our capacity and capabilities to communicate with both the education sectors and our wider stakeholders through better dissemination of our annual report and thematic findings through a range of social media and events.

We have benefited from the support of a range of partner organisations including from the sectors we serve, and through continued joint inspections with a range of agencies. We have worked closely with the Welsh Government, providing advice both formally through our thematic work and support for key priorities but also informally as they develop education policy.

Internally we made changes to improve our performance as part of a long-term plan to drive improvement through our work and saw our staff engagement score improve. We have also invested time into exploring the benefits and pitfalls of AI both internally and within the context of education and training.



Owen Evans

His Majesty's Chief Inspector of Education and Training in Wales and Accounting Officer

The Accounting Officer authorised these financial statements in section 3 of this report for issue on 16 September 2025.



Section 1

The Performance Report

1.1 Overview

Our purpose

Estyn is His Majesty's Inspectorate for Education and Training in Wales. Our revised strapline "For learners, for Wales" captures our purpose to support the system to improve the quality of education and training, and outcomes for learners. We do this by providing an independent, high-quality inspection and advice service to the Welsh Government and the citizens of Wales. We are independent of, but funded by, the Welsh Government (section 104 of the Government of Wales Act 1998).

Our activities

Vision and Mission

Our **vision** is to improve the quality of education and training, and outcomes for all learners in Wales

Our **mission** is to support education and training providers to develop a self-improving and learning culture through our advice, inspection and capacity building

Strategic objectives

Providing public accountability to service users on the quality and standards of education and training provision in Wales

Informing the development of national policy by the Welsh Government

Building capacity for improvement of the education and training system in Wales

Values

- Place learners at the heart of our work
- Listen, learn and work with others
- Act openly, fairly and with integrity
- Show effective leadership and teamwork
- Promote health, wellbeing and equality in all we do
- Value and respect people and their work
- Encourage responsibility, initiative and innovation

Details of our [inspector roles](#) can be found on our website.

Our performance summary

Each year we publish an Annual Plan, which sets out the key activities for the year that support the delivery of our mission and objectives, and reflect how we deliver our work.

Our [Annual Plan 2024-2025](#) sets out our approach to managing the completion of work on the former cycle of inspections and our move to the new cycle, starting in Autumn 2024.

- We concluded our consultations with internal and external stakeholders about our approach to inspection activities
- The findings from these consultations fed into the final versions of our new inspection guidance and training materials
- We continued a comprehensive training programme for Estyn staff in the new arrangements
- We continued with our series of pilot inspections across a number of sectors, testing out and fine tuning our approach and arrangements

Each year we set ourselves ambitious [performance indicators](#) and achievement of these targets is monitored on a regular basis by our Strategy Board.

Our Annual Report and Accounts 2023-2024 were produced within statutory timescales and Estyn's annual resource accounts were unqualified by external audit.

In 2024-2025, we achieved our expected performance level in most areas. The indicator gauge below indicates our level of performance throughout the report.



not met	partially met	substantially met	met
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Key events during the year included

Summer 2024

We continued to develop our core inspections and interim visits for full roll-out from September 2024. We also finalised our guidance documents and published our What and How we inspect guidance online.

We continued to pilot inspection models for inspecting federated schools.

We started the final inspections of the partnerships for initial teacher education.

We piloted enhanced LALI visits in the Local Government Education Services sector.

We oversaw the implementation of a longer-term professional learning and development strategy for how we recruit, train and deploy external inspectors.

We launched a new thematic report on the impact of the junior apprenticeship programme in Wales, highlighting a number of positive outcomes for learners as well as a number of challenges to current delivery.

We also launched a thematic report on the risks of disengagement for young people accessing lead worker support at the point of transition into post-16 education, training, and employment.

We launched our Barod yn barod/Ready Already campaign for school and post 16 sectors, aiming to target the understanding and behaviours of education and training providers in some of the post 16 sectors we inspect, in relation to workload and expectations both during and in the period leading up to an inspection.

We launched a campaign to recruit experienced and qualified professionals in the field of additional learning needs for a new additional learning needs specialist inspector role.

We took part in the Urdd Eisteddfod in Meifod, sharing a stand with other government bodies in order to raise the profile of Estyn in Wales.

We implemented the second cohort of our Ethnic Minority Leaders programme for education professionals in Wales from ethnic minority backgrounds.

Around a quarter of our staff participated in the Macmillan Gower Peninsula Mighty Hike.

We launched our new and improved website, improving accessibility to our online reports and surveys.

Autumn

We started the 2024 6-year cycle of core inspections across maintained schools and PRUs alongside our recently developed interim visits.

We launched our new inspections of youth work and Welsh immersion provision.

We launched a campaign to recruit Peer Inspectors in the maintained special school, PRU, independent and Welsh for Adults sectors, as well as those with responsibility for local authority specialist classes in mainstream schools.

We also launched our new stakeholder strategy for the secondary sector, meeting with headteachers from across North Wales to gather feedback and inform our work.

We published new thematic reports on the subjects of Developing pupils' Welsh reading Skills from 10-14 years of age and on Transition and pupil progression.

We provided support to the Welsh Government as it rolled out a programme of work designed to raise standards in literacy and numeracy.

Inspectors attended and presented at a Standing International Conference of Inspectorates (SICI) conference on the subject of artificial intelligence and how inspectorates are beginning to use AI to enhance their work.

On 23 October, we launched our Early insights from the Chief Inspector's Annual Report 2023-2024, at Grŵp Llandrillo Menai's Ty Menai Campus in Bangor.

Later in the term, we launched two further thematic reports, one on the impact of poverty on educational attainment, support, provision and transition for early education. And the other on how well schools, settings, and local authorities are implementing and embedding aspects of the Additional Learning Needs and Education Tribunal (Wales) Act 2018 and the accompanying ALN code.

We launched a consultation on our proposed changes to inspections of learning in the justice sector.

We launched a stakeholder survey to better understand perceptions of Estyn as an organisation and the impact of our work. This survey will be run over a three-year initial period to enable us to benchmark, reflect and consider improvements throughout the year.

We also carried out an external consultation in relation to our feedback and complaints policy.

We published our first young people's reports linked to our youth work inspections.

Spring

On 12 February, we published the Chief Inspector's Annual Report 2023-2024, featuring cross-cutting themes and looking back at findings from inspection and thematic reports over the last academic year.

We launched our #MoreThanInspection campaign, highlighting our commitment to supporting educational improvement, sharing effective practices, and making valuable resources easily accessible to a wide range of stakeholders.

To support the development of our new inspection arrangements for initial teacher education, we launched a stakeholder consultation.

We launched a review to understand how Generative Artificial Intelligence (Gen AI) is currently used in schools and PRUs across Wales and announced the launch of a joint project between us, Scotland and Norway, with Portugal joining as observers, focusing on how inspectorates use AI to support their activities and how they evaluate providers' use of AI when inspecting.

We issued new supplementary guidance to outline our work evaluating school sixth forms and providing some prompts to help inspectors and schools.

We published a new thematic report on increasing the use of the Welsh language in the post-16 sectors.

We launched a consultation on the inspection of Initial Teacher Education providers.

We carried out our first themed inspection for the Welsh for Adults sector.

1.2 Performance analysis

Performance against strategic objectives

Strategic Objective 1:

Provide public accountability to service users on the quality and standards of education and training in Wales

Table 1: Estyn core inspections by sector 2024-2025

Sector	Number in 2024-2025	Number 2023-2024
Non-maintained nursery settings*	93	90
Primary and maintained nursery schools	224	254
Secondary schools	29	30
All age schools	6	6
Special schools	8	8
Pupil referral units (PRUs)	5	3
Independent Schools (including independent special schools)	16	14
Independent specialist colleges	1	3
Initial teacher education (ITE)	3	1
Local government education services	4	4
Further education institutions	3	0
Work based learning / apprenticeship	3	4
Adult learning (AL)	3	4
Youth Services (YS)	3	2
Welsh for Adults (WfA)	2	3
Welsh language immersion arrangements in local authorities	3	-
Total number of inspections	406	426

* Joint inspections with Care Inspectorate Wales

(All figures - financial year)

Please note that a larger number of schools were inspected in 2023-2024, owing to the need to complete the previous inspection cycle, and address the delays occasioned by the COVID-19 pandemic lockdown.

Overview of inspection 2024-2025

Inspecting for the Future – 2024-2030

In the Summer term, we rolled out our Inspection 2024 training to the inspector community. We held 10 training events in total with 798 delegates attending external training. This included Inspection 2024 training for schools and PRUs, Initial PI training for youth, secondary and all-age and termly update training for RgIs and RgNIs. In addition to this we held seven stakeholder events to ensure two-way communication across the sectors we work with. We had a presence at the Urdd Eisteddfod and shared updates about our new arrangements and current thematics throughout the week.

We continue to innovate and evolve as education changes. In September 2024 we launched to new areas of inspection in the youth work and Welsh immersion education sectors.

Then, as from Autumn 2024 we launched new inspection activities across a number of sectors, leading to more regular engagement, for example themed visits in the Welsh for Adults sector, enhanced link visits in both the LGES and Post-16 sectors, monitoring inspections in the independent sector, monitoring visits for independent specialist colleges, and interim visits (IVs) in maintained schools and PRUs.

In all sectors, resources have been reviewed and are tailored to the needs of the setting. Inspection team sizes and/or inspection durations have been reduced, creating additional capacity for more regular engagement focusing on areas which drive improvement for each setting. The roles of nominee and peer inspector have been strengthened and sector stakeholder meetings held to gain feedback from directly from practitioners.

Senior managers have also visited many inspections to gather live feedback throughout the process.

Our new website was launched at this time too, making it easier for sectors to access effective practice as well as introducing shorter spotlights within inspection reports, which aim to sign-post providers to interesting practice.

In addition to the training activities that took place in the Summer term, we continued to roll-out training for our new inspection arrangements during the Autumn term 2024. Regular stakeholder meetings have taken place in order to ensure continuous feedback on our arrangements to date.

As more inspection activity take place, we are developing our communications and key messages, for example case studies from providers following interim visits, updates to our

“FAQ” pages on our website and campaigns such as Barod yn barod/Ready Already and More than inspection.

The launch of Medr

Medr (the Commission for Tertiary Education and Research) was this year established as an arm’s-length body of the Welsh Government, established by the Tertiary Education and Research (Wales) Act 2022 to fund and regulate the tertiary education sector in Wales. This includes:

- further education
- higher education including research and innovation
- adult community learning
- work-based education
- apprenticeships
- local authority maintained school sixth-forms

Staff from the Higher Education Funding Council for Wales and the Welsh Government have been brought together with new people to form Medr.

As Medr became operational from 1 August, we arranged more regular meetings to discuss matters related to quality in the tertiary sector, drafting a Memorandum of Understanding with the Welsh Government and Medr to formalise our working relationships. One of our Strategic Directors represents Estyn at the bi-monthly Quality Committee where we present information on quality and respond to emerging priorities from Medr. Medr representatives have been involved in the panel meetings for agreeing thematic reviews for Estyn’s remit letter for 2025-2026.

We have engaged more closely with QAA on a draft MOU to support working more collaboratively across the tertiary sector and supporting Medr’s draft strategic priorities.

Welsh language strategy

During the year we have developed a refresh of our first Welsh language strategy 2021-2024, undertaking an all-staff consultation, through an online questionnaire and online drop-in sessions, to ask for input on how we can adapt and improve the strategy from 2025 onwards.

In addition, we have been developing our Welsh language training offer for staff who wish to learn or improve their Welsh language skills. This includes intensive residential training opportunities. Staff are being given the opportunity to apply for these courses and will be chosen based on certain criteria including their future commitment to attending follow-on courses. We are also looking to establish a mentoring system, pairing learners with Welsh speaking staff, to help them integrate and use their language skills in their work.

Reporting on local authorities' approaches to promoting Welsh in education is now a requirement on all our LGES inspections. In this year's Newport LGES inspection, this was included as a particular focus area. We also have each local authority's Welsh in Education Strategic Plan (WESP) as a possible focus area on our Enhanced LALI Visits (ELVs), allowing us to consider in depth the impact of the LA's plans and the extent to which they are meeting the targets as set out in their WESPs. The work includes engaging with a range of key stakeholders, including young people. We have engaged regularly with Welsh Government officers on matters relating to Welsh in education, providing updates and advice based on our inspection findings and our link inspector work. This advice has influenced policy decisions and steered Welsh Government priorities.

Well-being of Future Generations (Wales) Act 2015

The Act sets out a shared purpose to achieve a better and lasting quality of life for us all. Although the duty does not apply to us (we are not a listed public body for the purposes of the Act), we continue to play our part in delivering this vision for the people of Wales. Our Strategic objectives are also our well-being objectives for the purposes of the Well-being of Future Generations (Wales) Act 2015.

Our accountability and inspection activity, including our new programme of inspection visits, and our new approach to inspection with more regular engagement as described above, all contribute to this area.

Similarly, with Inspection teams and/or inspection duration reduced, additional capacity has allowed for more regular engagement focusing on areas that drive improvement for each setting.

Our capacity building activity has contributed directly through the development of:

- a new website with a much improved user interface to share messages and resources with our stakeholders.
- a programme of "Estyn live" broadcasts focusing on thematic reports to ensure that the voices of providers are used to share best practice with peers
- the development of inspection arrangements in partnership with stakeholders and reference groups
- HMCI's annual report with a drive to ensure that our work is accessible and inclusive
- our work to support the implementation of the ALN Act

Maintained schools and pupil referral units

In the Summer of 2024, the previous inspection cycle for all maintained special schools and PRUs was successfully completed, with a comprehensive review of current practices that informed future strategies and approaches.

Following the completion of all consultations, try-outs and pilot inspections, findings were thoroughly considered and analysed to inform the roll out of our new arrangements. These were heavily influenced by feedback from our headteacher reference group and comments from our pilot inspection activity.

Inspection arrangements were finalised during the Summer term, ensuring that the revised framework was well-aligned with sector needs and stakeholder feedback.

The new inspection cycle (2024-2030) began as planned in September 2024, using the updated framework. This included a new core inspection framework and the introduction of interim visits. Over the Autumn and Spring terms, we carried out 157 separate interim visits to maintained schools and PRUs, in addition to our core inspection work. This was supported by the recruitment of additional Rgl and PIs to support the delivery of our work.

The new arrangements have been generally well received, with particularly positive feedback on our interim visits.

We have taken significant steps to support the implementation of the ALN Act, training 20 new ALN additional inspectors for the first time, drawing on delegates from local authorities, special schools, and local authority specialist centre provision. These inspectors are now focusing on inspecting specialist resources bases in maintained schools.

We have recognised the importance of providing ongoing professional development, scheduling training that will be delivered in small, regular sessions, tailored to specific sectors, rather than adopting a broad, one-size-fits-all approach. This insight will guide our future training plans for ALN going forward.

Independent mainstream and special schools

The previous inspection cycle for all independent mainstream and ALN specialist schools was successfully completed in Summer 2024, with a comprehensive review of current practices that informed future strategies and approaches.

Following the completion of all consultations and pilot inspections, findings were thoroughly considered and analysed. Inspection arrangements were finalised during the Summer term of 2024, ensuring that the revised framework is well-aligned with sector needs and stakeholder feedback.

The new inspection cycle began as planned in September 2024, using the updated framework. All scheduled monitoring and core inspections have been subsequently undertaken, along with registration visits and follow-up inspections. Feedback from these inspection activities has been positive.

Additionally, during this year we conducted one announced focused inspection on the Welsh Government's request.

We continue to undertake follow-up visits to schools that are non-compliant, ensuring that they receive the necessary support and guidance to meet the required standards.

Non-maintained nursery settings

During this year the current programme of inspections continued effectively, with around 30 inspections per term.

In the Summer we also commissioned an independent review of joint working arrangements that was published in August 2024. The review was positive and highlighted many strengths in joint inspections as well as identifying areas for improvement. We continued to work alongside colleagues in Care Inspectorate Wales (CIW) to review the inspection framework and procedures, and the Joint Inspection Strategic group met in February to plan for the development of the new Joint Framework. The timeline has been accepted by both organisations with the planned roll-out in January 2026, following pilot inspections to be carried out from September 2025.

Local government educational services

In 2024-2025, we undertook four LGES inspections. Audit Wales joined us on each of our inspections. We remain on track for each local authority to receive one core inspection per cycle. We also put in place arrangements for Enhanced LALI Visits (ELVs), which will not be undertaken annually, but twice during the cycle in each local authority. This change was made to align closer with the level of engagements with providers in other sectors. Two ELVs were undertaken during the Summer term, with a further two by the end of the financial year.

Youth work sector

During the year we scoped the range of provision across Wales in order to develop our approaches to this sector. We carried out an inspection of Newport local authority youth work in October and Powys local authority youth work in January. We also delivered peer inspector training in December specifically targeted at voluntary sector colleagues and during the Spring term we inspected a voluntary sector provider. We will be developing further our themed inspection of voluntary youth work from next year onwards.

Welsh language immersion arrangements in local authorities

We piloted a Welsh language immersion inspection in Newport in June, which went smoothly, and then inspected in Wrexham in December and Gwynedd in March. All were successful inspections. In Wrexham, the provider was asked to provide a best practice case study, whilst two case studies were requested from Gwynedd.

Post-16 sectors

We have continued with a full programme of inspection work in the post-16 sectors this year, completing the current cycle of inspections of ALC partnerships and independent specialist colleges by June 2024. We also commenced our new inspection cycle for ALC partnerships with three inspections carried out by the end of the financial year. There was also a full training programme for inspectors in the post-16 sectors this year.

In the Summer term 2024 also, we completed our monitoring visits to the Jobs Growth Wales+ programme of work-based learning providers and took forward to a national report on the first year of the programme.

We inspected apprenticeship providers in June 2024 (Cambrian Training Company) and December 2024 (Coleg Cambria) and have two providers left to complete the cycle of inspections (by August 2025).

During this year we also visited independent specialist colleges to consider registration and material change requests.

Initial Teacher Education

This was the final year of our current cycle for Initial Teacher Education, undertaking three inspections of partnerships. In October 2024 we held a joint stakeholder event with the Education Workforce Council (EWC), which was an opportunity to gather feedback from the sector about our work as well as key issues. Feedback will help to inform the development of new arrangements for this sector, which were also subject to a consultation that was launched in March.

Welsh for Adults

We conducted a virtual inspection of the National Centre for Learning Welsh during the Summer term, and new inspection arrangements were implemented along with initial peer inspector training in September. The first full inspection of a Learn Welsh provider was held in November, and our first themed inspection commenced during the Spring term.

Learning in the justice sector

In 2024-2025 we reviewed our inspection arrangements for men's prisons, consulting widely with the sector, HMI Prisons, HMPPS and the Welsh Government. In November 2024 we presented our proposed changes to the inspection framework for men's prisons at the Welsh Government Offender Learning Employability and Skills Group, and launched a formal consultation on the changes. Stakeholders were very positive and supportive of the changes we suggested.

We developed initial PI training materials on the new framework, delivering to peer inspectors in January 2025 and piloting in February 2025.

Safeguarding

Throughout the year, we have continued to support our commitment to safeguarding young people and vulnerable adults through vigilant practices and continuous evaluation. We have strengthened current processes, particularly in handling site management and safeguarding concerns. The changes support our focus on timely action, transparent communication, and effective collaboration with relevant stakeholders.

Our approach to reporting on a provider's safeguarding culture remains a key focus throughout all our inspection activities. We have issued 15 safeguarding letters to providers and 21 site management letters to local authorities.

The Safeguarding Lead Officer team continues to provide crucial support during inspections and responds promptly to cases referred by various stakeholders. Since September 2024, 140 safeguarding concerns were reported to us and promptly dealt with by safeguarding officers. Where appropriate, members from the safeguarding LO team have attended professional strategy meetings and escalating concern meetings in various local authorities.

We have updated our policy on obtaining Disclosure and Barring Service (DBS) checks for registered, additional, lay, and peer inspectors to include key requirements.

Follow-up activity

We continued the formal monitoring of each provider in need of follow-up activity as a result of core inspections. The table below shows the number of providers that went into, and came out of, statutory follow-up over the course of 2024-2025.

Number of providers going into and coming out of follow-up, financial year 2024-2025⁽¹⁾

(a) Statutory follow-up(special measures / significant improvement), focused improvement and re-inspection

Sector	In follow-up at the start of the year	Placed in follow-up from core during the year	Proportion of inspections carried out where providers placed in category	Downgraded level of follow-up	Removed from follow-up during the year	In follow-up at the end of the year
Maintained schools and PRUs	42	37	13.6%	3 (1 SI to SM and 2 ER to SI)	18	63
Non-maintained nurseries	0	1	1%	0	0	1
LGES	1	1	25%	0	1	1
Post-16	4	1	7.1%	0	1	4
ITE	0	0	0%	0	0	0

The number of maintained schools and PRUs in special measures or significant improvement during the year increased from 42 to 63.

(b) Estyn review / Estyn monitoring / Progress review / Local authority causing serious concern

Sector	In this level of follow-up at the start of the year	Placed in this level of follow-up from core during the year	Proportion of inspections carried out where providers placed in this level of follow-up	Downgraded level of follow-up	Removed from this level of follow-up during the year	In this level of follow-up at the end of the year
Maintained schools and PRUs	42	6	2.2%	2 (ER to SI)	20	26
Non-maintained nurseries	0	2	2.1%	0	1	1

Figures are calculated based on data stored in our system, not date of publication of report.

We discontinued Estyn review as a follow-up category for school and PRU core inspections taking place from the Autumn term 2024. We have continued to review the progress of school/PRU providers placed in Estyn review with local authorities prior to September 2024. These reviews are likely to continue until December 2025.

When a provider is placed in statutory monitoring, it is a statutory requirement that immediately after the report's publication, the governing body devises a post-inspection

action plan (PIAP), and the local authority writes a statement of action. Inspectors meet with the provider and the local authority to ensure that the plans are likely to bring about the required improvements, before the plans are forwarded to the Welsh Government. We call these visits PIAP visits.

Once the plans have been accepted, we monitor the progress of these providers. For maintained schools and PRUs in special measures, the monitoring visits take place every four to six months. In practice, this is normally termly. For providers placed in significant improvement, we return to evaluate progress around 12 to 18 months after the core inspection.

We are continuing to work with schools and local authorities to support improvements. In particular we are working closely with school leaders to consider how they can be more involved in the monitoring process, to build capacity and ensure that they can align monitoring feedback with other aspects of their evaluation and improvement arrangements. We also continue to support the multi-agency programme in the secondary and all-age sectors.

In terms of our performance measures:

None of our published inspection reports during the reporting period required substantial amendment after publication as a result of challenge and all were published in a timely manner.

92% of providers express satisfaction with the reliability and independence of inspection findings.



Feedback

Four formal complaints were received about the inspection process in 2024-2025, all in the Summer term of 2024.

We also received lots of positive feedback about our work, both through or formal feedback mechanisms and unsolicited. Here is a selection of comments we have received regarding our inspection activity in the last year:

Headteacher of primary school: The lead had spent time making sure that the school was well briefed about the process and any requirements ahead of time. During the process, the team had done their best to make what was a challenging period (From a school perspective given our category) as smooth as possible. The team were transparent, clear and we felt treated our school team in a way that was compassionate whilst going about their work. They were able to highlight areas of strength and positives, as well as discussing ways forward for the school in a tangible way.

Headteacher of primary school about the follow-up process: This process has been productive, and so helpful on an ongoing basis. For SM, because HMI visit termly, the direction of travel and achieving improvements incrementally has been nothing but helpful. It's given clear direction to all parties, that everyone's understood. ... The sustainable bit of SM –the main learning outcome, is that their monitoring has moved away from what teachers do and moved onto pupil progress. This single point is what's made the biggest difference, and what everyone understands now as 'school improvement'.

Headteacher of secondary school: Our school community found the inspection process to be very fair, thorough and professional. It allowed us to have a professional dialogue about what we think we do well, and the areas for further development. The recommendations are helpful, accurate and reflect our own self-evaluation and improvement priorities. Although I am an experienced headteacher, and peer inspector, the role of nominee was new to me in this inspection. I absolutely felt very much part of the team and the process, and felt the level of input and challenge the role afforded me to be entirely appropriate and beneficial. Pupils, leaders, teachers, support staff, governors and parents were all able to contribute constructively to the process and the balance was fair and discerning.

Dean of Education: Initial teacher education inspection: The Dean of Education and the Head of the partnership commented on the professionalism and collaborative approach of the team and the way they engaged well with all staff and students. The Head of the partnership felt the team had completely understood the culture and ethos they are creating ... and valued the inspection process and its contribution to the development of their ITE provision.

Inclusion manager: Youth services inspection: I wanted to say a big thank to you and your team of inspectors for putting the youth work team and young people at ease, fostering a calm and collaborative atmosphere, which allowed everyone to feel confident in showcasing their work. Overall, it was a valuable and reassuring experience that left the team feeling proud and inspired to continue to thrive for excellence.

Partnership work

Each year we share practice and work collaboratively with a range of government organisations, inspectorates and other bodies inside and outside of Wales to develop our view of education systems and inspection practice across the United Kingdom and the world. Such joint work progresses our own approaches to inspection and thematic working, supports our advice to the Welsh Government, and aids the implementation of government policy.

We have continued to work with education and training inspectorates from neighbouring countries, at both a strategic and operational level, regularly sharing information and knowledge. Regular meetings have taken place to exchange updates and share practice at Chief Inspector and management levels, including specific HMI / senior management links. There has been regular consideration of practice in neighbouring countries to help inform improvements.

Our local authority link inspectors meet their colleagues in Audit Wales and Care Inspectorate Wales twice a year to share information about local authority and regional work. The purpose of these meetings is to share our ongoing views about the strengths and areas for development across the 22 local authorities.

This year we have prepared a project plan on reviewing aspects of the Jobs Growth Wales+ youth employability programme and shared this with the Welsh Government. We informed providers that we would be visiting in the Spring term 2025 to review the programme.

We have continued to liaise well with HMI Prisons and HMI Probation to discuss our partnership in inspecting education and work activities. Our sector lead for the justice sector presented an overview of Welsh education and training and Estyn's work to HMI Probation HMI at their training day in October. We have engaged well with HMI Prisons on our proposals for changes to our inspection arrangements for men's prisons. They have been fully supportive of the changes we piloted in February 2025.

We work closely with the Welsh Government and Medr and drafted a memorandum of understanding to consider operational matters relating to quality across the tertiary sector. We have developed protocols with the Welsh Government and Medr for representatives joining the formal feedback meeting on inspections of further education colleges, apprenticeship providers and ALC partnerships.

We continue to engage closely with the activities of the Standing International Conference of Inspectorates (SICI), with its 37 members across Europe and beyond, to ensure that we benefit from the ability to learn from other inspectorates and their processes. In 2024 to 2025 we attended several SICI workshops and partnership events where practice and approaches on the following were shared:

- April 2024 – SICI workshop in Cyprus on “Inspection in a changing world: Navigating change and adapting inspection practices”.
- June 2024 – SICI workshop in Estonia on “Inspection and school autonomy: benefits and challenges in a changing world.” And study visit to Ministry of Education and Research in Estonia to explore approaches to professional learning, achieving excellence in mathematics, science, reading and digital technologies, supporting learners with additional learning needs, widening instruction in the Estonian language, amongst others.

- September 2024, SICI workshop in Romania on “AI frontiers for inspection and evaluation, adapting to a new Era,”. We shared our initial trails of using Artificial Intelligence as part of our working practices.
- November 2024 – SICI General Assembly, Malta. We presented to the Executive Committee on our plans for a joint project with the inspectorates of Scotland and Norway on the use of AI in our working practices.
- January 2025 – Transnational project meeting in Cardiff on “Strengthening Inspectorates through innovative AI applications and international collaboration.” Hosted by Estyn and attended by inspectorates of Norway and Scotland.
- March 2025 – STESSIE multiplier event in Belgium to hear about the further development of the STESSIE Toolbox “Strengthening and spreading the toolbox for (self-) evaluation and stimulation of social inclusion in education.”

Our regular discussions with inspectorates from across the UK and Ireland continue to provide valuable opportunities to share thinking and test developments in environments that are similar to our own. Exchanges and co-operation such as these are part of our commitment to working with our peers. In addition to sharing common experiences and exploring similarities and differences, these exchanges have helped inform future developments in policy and practice. They contribute to the professional development of inspectors and inspection practice in the inspectors’ home jurisdictions. In this way, they play an important role in improving the educational outcomes for learners.

Estyn was also represented in March this year in a UK Inspectorates study visit to Japan, to look at teacher recruitment and retention

Joint Inspection of Child Protection Arrangements (JICPA)

During 2024-2025 we continued to work alongside Care Inspectorate Wales (CIW), Healthcare Inspectorate Wales (HIW) and His Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) by undertaking joint inspection of child protection arrangements (JICPA) in Pembrokeshire local authority. The focus was on the multi-agency response to abuse and neglect of children. CIW lead all JICPA, and all other inspectorates, including Estyn, have an equal role in the inspection process.

In September 2024, we contributed to a joint publication that presented the findings from previous joint inspections. The focus of this work was to understand how well partner agencies communicate and work together to promote the welfare of children and protect them from abuse and harm.

Strategic Objective 2:

Inform the development of national policy by the Welsh Government and Medr

In October, we published our interim annual report on education and training in Wales, comprising sector summaries for the sectors we inspect. These again included bullet points to outline what was going well and what needs to improve in each sector. Each sector summary again included an overview of recommendations from inspections.

Then, in February 2024, we published HMCI's 2023-2024 Annual Report on the quality of education and training in Wales. As well as providing updates on each of the sectors that we inspect, this included sections on the following key themes:

- [Teaching and the curriculum](#)
- [Towards an anti-racist Wales](#)
- [Attendance](#)
- [Recruitment and retention](#)
- [The Welsh language](#)
- [Self-evaluation and improvement planning](#)

In launching the Annual Report, the Chief Inspector noted that there is much to celebrate in the sector but continuing issues such as self-improvement planning remain a crucial area for educators to focus their efforts. The report emphasised that only a minority of providers demonstrate strong practice that drives improvement, while others do not evaluate the impact of teaching on learning closely enough.

In addition to this, the Chief Inspector highlighted the need for a clear focus on basic skills across the curriculum. There are notable gaps in how providers plan for the development of learners' literacy, numeracy, and digital skills currently.

The report highlighted commendable efforts by schools to integrate anti-racism into their ethos and practices, as well as strong practice in the promotion of Welsh language and culture. Longstanding issues such as learner absenteeism and the recruitment of teachers and support staff across a number of specialisms continue to pose additional challenges for education leaders.

He stated:

“We are acutely aware of the pressures and challenges facing education providers currently but self-evaluation in schools and other providers needs to improve to strengthen the system. We need strong leaders to drive this improvement as the failure to do so is holding back progress for too many learners.”

HMCI's Annual Report was published in February 2025, in line with the target date within our Annual Plan 2024-2025.

All recommendations for improvement in thematic reports were accepted for implementation / commented on by the Welsh Government during the reporting period.



During 2024-2025, we published eight [thematic reports](#) on a range of topics in response to the [Minister's annual remit letter](#). These reports contained an overall total of 71 recommendations, 22 for the Welsh Government. All recommendations for improvement were accepted or commented on by the Welsh Government during the reporting period.

Thematic reports published in 2023-2024

Name	Date of publication
A review of the junior apprenticeship programme in Wales	May 2024
Youth Engagement and Progression Lead Worker Review	July 2024
Developing pupils' Welsh reading skills from 10-14 years of age	September 2024
Transition and pupil progression	September 2024
Additional Learning Needs in Further Education Colleges	October 2024
Impact of poverty on educational attainment, support, provision and transition for early education	November 2024
The additional learning needs system	December 2024
Increasing the use of the Welsh language in the post-16 sectors	March 2025

Across 2024-2025, we also published a total of 73 case studies, based on effective practice identified during inspection and invited from providers. We also launched the use of shorter cameos of identified interesting practice, for inclusion within inspection reports.

During 2024-2025, we continued to provide advice and support to the Welsh Government's Education, Social Justice and Welsh Language Group as required, including participating in committees, working and advisory groups. During the year we provided the following specific evidence:

- Briefing on school support for mental health for the Cabinet Secretary
- Briefing and policy discussions on developing reading skills
- Written and oral evidence to the Children and Young People's Committee's scrutiny of the Welsh in Education Bill

A thematic focus on anti-racism was drafted for HMI's Annual Report. We piloted using demographic questions in our pre-inspection questionnaires as part of a small number of inspections during the Summer term and piloted again further after refining in a wider sample during Spring 2025. This will further improve our evidence in this area in the future.

Throughout the year, senior management and HMI attended the Children, Young People and Education (CYPE) Committee hearings:

- 2 October 2024: The Welsh language and Education Bill
- 5 March 2025: HMCI's Annual Report
- 5 March: Inquiry into Routes into Post 16 education & training

Curriculum for Wales

We have continued to support the roll out of Curriculum for Wales, holding regular meetings with Welsh Government officials to advise on curriculum matters such as progression and professional learning. We have met with the Cabinet Secretary for Education to advise on priorities relating to curriculum, teaching and assessment.

The implementation of ALNET Act

The implementation of the ALNET Act has been a significant focus this year. We published our second ALN thematic report, which builds on the findings of the first report. The report identifies several key findings regarding ALN provision across Wales. We have delivered keynote speeches at both local and national events to present the findings of our report.

To support our work around ALN, we have revised and published supplementary guidance for ALN and provided clear guidance to inspectors on our approach to inspecting local authority specialist resource classes. We continue to contribute to the ALN Reform National Steering Group, offering advice, reporting on the current state of ALNET implementation, and providing strategic oversight of the reform.

Additionally, we have commissioned effective practice videos showcasing the implementation of the ALNET Act in a nursery setting and a secondary school.

This year we have trained a further 24 Additional Learning Needs Inspectors (ALNI) to be deployed for the inspection of local authority specialist classes (LASC) in primary, secondary, and all-age schools.

We have developed a comprehensive briefing guide for inspectors. This guide provides clear and detailed instructions to both reporting inspectors and ALNI on how to approach and report on the inspection of LASC provision in schools. Feedback from colleagues regarding the briefing guide has been positive.

Anti-Racism

In strengthening our approach to anti-racism through our inspection work, we have undertaken various strategic actions to align with our Anti-Racist Action Plan objectives and enhance our commitment to equality, diversity, and inclusion.

A review of our staff recruitment processes was conducted to identify opportunities to increase workforce diversity. We have revised and strengthened our recruitment materials to minimise barriers and explored Positive Action principles to support underrepresented groups.

Our recruitment processes incorporate measures aimed at promoting fair opportunities and addressing the lack of visible role models in leadership positions.

We have enhanced our leadership development program to support aspiring education leaders from underrepresented ethnic backgrounds. The second cohort ensured that the six participants benefiting from tailored support, including direct training, involvement in inspection activities and coaching, aligned with professional standards.

Efforts to improve data collection on our external inspector workforce are progressing, enabling a clearer understanding of underrepresented groups. This includes attendance at equality, diversity, and inclusion (EDI) training to enhance our approaches. Additionally, we have engaged national stakeholder groups to foster a more diverse pool of lay inspectors, ensuring that our workforce reflects the diverse communities we serve.

Recruitment materials and processes for external inspectors have been reviewed, with notable improvements to our website.

Broader engagement with stakeholders and advocacy groups has informed our work, including targeted inspections addressing the well-being of Gypsy Roma Traveller children and examining further education colleges' anti-racist action plans.

We have prioritised staff training to promote equality and tackle discrimination, equipping our workforce to foster an anti-racist culture. Training sessions have targeted discriminatory behaviors, and coaching and mentoring programs have been delivered to enhance the skills and awareness of staff engaging with ethnic minority communities.

Induction procedures and equality impact assessments are being reviewed and refined to ensure inclusivity and compliance with the public sector equality duty.

Performance management processes are being aligned with equality and diversity objectives, although progress on embedding these measures is ongoing. Opportunities for reverse mentoring and strengthened equality impact assessments are also under review, with a view to ensuring that these tools have a meaningful impact.

Our inspections increasingly incorporate a focus on equality, diversity and inclusion, assessing how curricula develop learners' understanding of diverse histories and perspectives. They also evaluate how effectively schools record and address bullying, harmful behaviors and discrimination. These criteria are integrated into our revised inspection framework, emphasising the importance of fair treatment, respect, and safeguarding for all learners. In collaboration with stakeholders, we have facilitated discussions on addressing racism and embedding diversity within the curriculum.

Self-evaluation and improvement planning

We meet regularly with officers from the Welsh Government to provide feedback from inspection and other activity. This includes practical suggestions to support leaders, including delivering on these aspects at joint conferences with the Welsh Government for primary and secondary headteachers.

Mitigating the impact of poverty

Mitigating the impacts of poverty on learning and educational attainment is a Welsh Government priority: we have therefore continued to focus on providers' work to mitigate the impact of deprivation. For example, we have reviewed and updated our supplementary guidance and published it on our website. We have also shared our approaches to inspecting how providers are addressing this in an all-Wales conference of Pupil Development Grant (PDG) officers as well as a round-table event with the Welsh Government when discussing the recent publication on the use of the PDG grant by Bangor University. The lead HMI for this subject is taking part in the STESSIE/SICI anti-poverty work to share best practice from our schools in Wales.

Over the Spring of 2025 we have been developing a whole-organisation strategy for our work to mitigate the impact of poverty, sharing across senior management for further development and scrutiny. We have also continued to reflect on how inspection can support our drive to reduce the impact of poverty on educational attainment and well-being.

Consultation responses

We also used our extensive evidence base to respond to 28 consultations on a wide range of educational matters during the financial year, 8 from the Welsh Government and 20 from other organisations. Consultation responses included:

- [The structure of the school year](#)
- [Professional registration of the childcare and playwork workforce](#)
- [Developing post-16 Welsh language provision](#)
- [Youth work in Wales: delivering for young people](#)
- [Apprenticeship pathways](#)

The Welsh Government's consultation page can be found [here](#).

You can view all our [consultation responses](#) on our website:

Responses to school reorganisation proposals

2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
33	30	32	11	31	34

In 2024-2025, we responded to 34 school re-organisation proposals, consistent with most previous years, aside from a dip in 2022-2023. In most cases, we concluded that the proposal is likely to at least maintain the current standards in terms of education, provision, and leadership and management. We noted where the proposer had identified a clear rationale for the proposal and gave reasons why the change was necessary.

Advice and support to key national steering groups

In addition, we continued to contribute to a range of national steering groups during the year, which can be broken down as follows:

Catch-ups / regular stakeholder meeting groups: 61

Committees: 16

Formally constituted working groups: 54

Project groups: 11

Reference groups: 11

Request to take part in research: 11

Examples of the groups attended this year are as follows:

- The programme board and Coherence group for the School Improvement Partnership Programme
- As an observer on Medr's Quality Committee

- National Professional Qualification for Headship (NPQH) working group
- Literacy and Numeracy Framework (LNF) working group
- Ministerial Taskforce for attendance
- Qualifications Wales Stakeholder Group
- Reporting and Engagement Working Group

Strategic Objective 3:

Build capacity for improvement of the education and training system in Wales

Information gathered from inspection and engagement work and thematic survey work helps us to play a key role in building capacity for improvement across the education system. This work includes consultations and surveys, conferences, stakeholder events, training events and publishing improvement resources on our website. Our improvement resources include: the HMCI's annual report, influential thematic reports, effective practice case studies and a wide range of multimedia assets, which aim to support practitioners in their day to day work. These include video summaries, video FAQs and a brand new podcast channel.

Education professionals and other stakeholders access our thematic report recommendations, guidance and effective practice case studies through a range of communication channels. We actively promote our resources through social media and our website using graphics and videos to boost engagement and attract the attention of busy headteachers, teachers and others who work in or support education and training.

This year we have agreed a programme of 'Estyn Lives', focused on thematic reports and refreshed the format to ensure that the voices of providers are used to share best practice with peers. The first of this series of events was held in November and ran smoothly with positive feedback received. We have upskilled our in-house team to be able to deliver these events – offering a cost saving and ensuring that we can drive improvements and adapt to feedback in a more agile way.

We continue to share updates with our parent and carers community including summaries of our new framework changes, our new website and seeking feedback on interim visit reports.

We launched a new website in September 2024, with an improved user interface – content is sectioned by audience to make it easier for visitors to find relevant information. The search function within the website is more effective and our content strategy is focused on developing engaging content to share messages and resources with our stakeholders.

We launched a campaign called 'More than inspection' earlier this year to raise awareness of the range of resources available on the Estyn website and to encourage stakeholders to visit and access this wealth of information to support their work. Listening to feedback from users, we continue to develop the functionality of the website to enhance the user experience and present our information in an accessible and engaging way.

To aid our functionality too during this year, we published our first young people's reports linked to our youth work inspections.

Resources are listed and presented in an easy search view and video content and FAQs are developed to present information in a more interesting format. We have introduced video case studies to share effective practice and will build on this offer encouraging providers to share footage of successful work highlighted on inspection.

Our work around the **HMCI's annual report** continues with our drive to ensure that our work is accessible and useful to stakeholders. As well as presenting the information in an engaging online format, we captured best practice through video case studies and shared the report findings at a stakeholder launch event, which included a provider Q and A panel.

This year, we also introduced our first podcast series, pulling a diverse range of providers together to discuss topics aligned to key themes within the report.

We also launched the Barod yn barod/Ready Already campaign, focused on post-16 providers in the Summer term, to relay expectations of inspection to this audience – building on our campaign aimed at schools and PRUs launched earlier in the year.

In 2024-2025, we carried out a full programme of both online and in-person events.

We ran 68 events during the year including 21 stakeholder events and 47 training events. 12 stakeholder events were held in person and 9 online. Of the inspector training events held, 39 were in person and 8 were either fully or partially online.

We value the feedback we receive from delegates and use this to continually improve. We collated feedback from our training events and best practice conferences and received lots of positive feedback.

Inspecting for the future (2024-2030)

In the Summer term, we rolled out our Inspection 2024 training to the inspector community. We held 10 training events in total that term with 798 delegates attending external training. This included Inspection 2024 training for further education, adult learning in the community, schools and PRUs, as well as LGES and Welsh for Adults, initial PI training for youth, secondary and all-age and termly update training for RgIs and RgNIs.

We continued to work through the planned programme throughout the Autumn term, with further stakeholder and training events. And in Spring 2025, we held mop-up conversion training for those who had not had the opportunity to attend in the Summer term. In general, the numbers attending these events were generally quite low as most had attended the Summer 2024 events.

As part of the preparation for the new arrangements, we also proactively developed website content to add value to stakeholder groups. This included producing FAQ videos for providers and published reflection videos from headteachers in relation to their recent experiences of interim visits.

We designed our website to have specific sector landing pages, which point to all of the relevant supporting guidance and for many sectors we produced an animation explaining how the new arrangements would look.

We continue to engage with our parents and carers community and will seek feedback as to how we can improve the parent/carers reports and website content in line with their needs. We also worked with young people to introduce our first ever routine young people's reports following our new young work inspections. We are experimenting with how AI can support us to roll out this practice across more sectors.

Peer inspectors

Peer inspectors (professional practitioners who have a leadership role in a school or provider and have significant teaching or training experience in the relevant sector) remained an integral part of our inspection processes. We have around 1,055 peer inspectors on our lists.

We recruit and train peer inspectors for all sectors apart from the non-maintained nursery sector. Peer inspectors in the maintained sector are deployed to undertake core and thematic inspections. Peer inspectors in the independent sector have been deployed to undertake monitoring visits in a few of our providers. We annually review our pool of inspectors and deliver training, as appropriate.

We deployed peer inspectors on 310 inspections throughout this reporting year.

This year we also successfully recruited a second cohort of our leadership development programme for practitioners from ethnic minority backgrounds to raise their awareness of our work and encourage them as they progress in their careers. Four participants successfully completed the programme, and have progressed to our full peer inspector training programme and successfully attained peer inspector status. We have revised our recruitment process for the programme to enable fast-tracking of applicants who meet the requirements of peer inspector training. The programme has been expanded to include ITE practitioners. In 2025-2026, we will begin recruitment for cohort three. This work has already led to three of the candidates going on to successfully pass our peer inspector training, helping to increase the diversity of our external inspector workforce.

Local authority link inspectors

Our local authority link inspectors (LALIs) have continued to provide a worthwhile link between Estyn and local authorities across Wales, sharing information, and gathering knowledge and understanding of the work of local authorities across a number of education sectors. As previously stated, local authorities are complimentary about this link and value the open discussions about a wide range of issues that LALIs have with them at various levels in the local authority.

We provide guidance and termly plenary sessions for our link inspectors to enable them to carry out the role effectively. Recent feedback from some local authorities attests to the impact our link work is having on driving improvement. Our lead officers oversee the work of the school improvement services and monitor how the arrangements are changing in lieu of the middle tier review.

Post-16 link inspectors

In Summer and Autumn 2024, FE link inspectors visited colleges to discuss their strategic priorities and self-evaluation and to find out more about how the implementation of the ALNET reforms are progressing. This resulted in publishing an insights report on ALN in FE colleges in October 2024.

Our link inspectors in ALC partnerships have engaged with providers in the Summer term 2024.

How we deliver our work:

Building a better organisation and living our values

A great place to work

Throughout 2024-2025, we have continued our work on making Estyn a great place to work, and have built on last year's progress.

Civil Service People Survey 2024:

Staff engagement score: 69%
(Civil Service High Performers top quartile 64%)

Our Engagement Score was above the Civil Service high performers benchmark



For the second year in a row, the results of the Civil Service People Survey showed that Estyn was within the top quartile in terms of employee engagement across the Civil Service. We are currently joint 13th out of 108 participating organisations in the survey so within the top quartile. Six out of nine of the themes were at or above the Civil Service high performers benchmark, which equals the 2023 survey.

Over the course of the year, we have :

- developed an action plan, based on feedback from the 2024 people survey which features short-term, medium-term and long-term goals
- completed a review of the scope of the employee engagement group, continuing to work with the group on employee engagement matters
- conducted a review of the HR team, which led to a review of the structure and re-brand to the People team, emphasising our approach to people within the organisation
- continued to review and update People policies (including family friendly and flexible working policies) in line with best practice and changes to employment legislation.
- made amendments to the facility for colleagues to take well-being time, with improved provisions for HMI
- completed the office improvements, which includes space for prayer; we are reviewing our accessibility requirements with the intention of improving accessibility further
- implemented the new HR system and provided guidance and support for colleagues
- continued to evaluate the staffing needs across the organisation

Turnover for the year was 7.1% (compared to 10.7% in 2023-2024)

There were 10 leavers in the period: three inspectors, two assistant directors and five from central services

Our People team have plans to develop a People Strategy in 2025-2026, covering a number of areas including recruitment, learning and development, well-being and engagement.

Relationship with unions

During 2024-2025, we maintained our productive and professional relationship with the two unions, Public and Commercial Services Union (PCS) and FDA. We discuss together the outcomes of the annual People Survey and how we will tackle issues identified.

Skilled people

During the year, we have continued to ensure that our learning and development programme supports staff to further develop the skills that help underpin our values and maintain our high levels of engagement.

The second leadership development programmes began in 2024-2025. In total, 12 HMI are attending the course, which was designed to improve strategic and managerial skills such as setting direction, leading through change, coaching / mentoring, motivation and influencing.

During 2024-2025 we also:

- provided comprehensive induction for new joiners
- continued to support staff to develop Welsh language skills
- supported inspectors and central services staff to attend professional seminars and conferences
- rolled out Equality Impact Assessment training for policy makers within Estyn to ensure that our policies, practices, or decisions do not discriminate and actively promote fairness, inclusion, and equality for all
- undertook a review of our Professional Learning and Development weeks for HMI to ensure that our approach reflects the needs of colleagues
- provided HMI with training sessions from DARPL on anti-racism within the education sector

Equality and employee welfare

During 2024-2025, we continued to raise awareness of equality and diversity. Our equality objectives cover how we consider equality when we inspect and how we will ensure that our own staff and those we contract with have equality of opportunity and are treated equally. We updated our Strategic Equality Plan, which now reflects our intentions up to 2028: [Strategic Equality Plan 2024-2028](#). This document lays out how we will work to

achieve our three equality objectives:

- We will work to increase the diversity of our staff, our external inspectors and the stakeholder voices that enrich our work.
- We will promote equal opportunities and ensure fair treatment for our entire workforce, staff and contracted inspectors, tackling bullying and discrimination whenever it occurs.
- We will evaluate issues relating to equality, diversity, and inclusion during inspection and in our thematic work, sharing good practice and making recommendations for improvement where needed.

The well-being and safety of our staff are at the forefront of our organisation's plans. The well-being and employee engagement group regularly promote well-being initiatives and activities such as mental health awareness week, Pride month, carers' week, cycling challenges and men's health week.

We also ensure all staff are:

- equipped with software, laptops and other IT equipment to work securely and efficiently from home
- aware of the support services on offer via the Employee Assistance Programme
- provided with a range of safety equipment required to carry out their inspection activity visits safely
- given the opportunity to review their DSE assessment, following changes to their original home/work base set up
- given the opportunity to undertake an annual health check
- encouraged to use well-being time

Welsh language standards

In 2024-2025, our 12th [Annual report on the Welsh language in Estyn 2023-2024](#) was published, which included a progress summary and priorities for 2024-2025. The report highlighted how we continued to comply with the legal duties placed upon us as an organisation under the Welsh Language Standards. This year saw more mixed results: we continued to promote use of the Welsh language throughout the organisation, making increased use of our internal communications publication Llais to inform staff of developments and to ask for any suggestions to better our service. In addition, we introduced an option on our intranet that enabled staff to draw attention to issues regarding the Welsh language internally and in our external dealings.

We continued to engage with a wide range of public consultations, for example the proposed Welsh Medium Education Bill. Our inspection and thematic reports considered the use of the Welsh language relevant to those educational contexts and recommendations to providers and settings are often made in those reports.

However, we also recognised the need to respond more proactively to the enthusiasm of staff to develop their Welsh language skills by developing a comprehensive training programme that aligns well with individuals' and organisational linguistic and professional needs. Work on this will move forward during 2025-2026.

Met the requirements of Welsh Language Standards

Comments and complaints

Over 2024-2025, the number of complaints we received about our inspection activity increased from those investigated in the previous year. Four stage 2 complaints were received during the period. One of these was subsequently withdrawn, but each of the other three, all received in Summer 2024, received a full investigation.

Conduct of primary inspection team and inspection report	April 2024	Not upheld
Conduct of secondary inspection team and inspection report	June 2024	Complaint withdrawn
Conduct of primary inspection team and inspection report	July 2024	Partially upheld
Conduct of primary inspection team and inspection report	July 2024	Partially upheld

Where aspects of the complaints were upheld, an action plan was produced in order that the issues raised could be addressed as quickly as possible, either through training, or through modification of our systems and processes.

Although the complaint investigations were completed and responses provided within agreed extended deadlines, each of the providers has expressed dissatisfaction with Estyn's processes, and we recognised the need to ensure that our processes are tightened, in relation to the preparation of meeting notes, and the checking of the final report responses. We have responded to a request from the Public Services Ombudsman for Wales.

We strive to improve our processes on a continual basis, using the experience of each complaint investigation to refine our internal guidance. During the year, we carried out an internal consultation on our complaints management and guidance, as well as an external consultation on our externally facing complaints policy. As a result, the documents have been updated and we will carry forward any future investigations in accordance with our revised procedures.

A total of 12 informal stage 1 complaints were also received, each of which required in response an explanatory note about our procedures and decision-making, or a telephone call to provide reassurance about our systems where necessary.

We also logged a total of 42 compliments about our work, for example in relation to the conduct of our inspectors, and about our support on training or participation in conferences.

Requests for information

This year we received a total of 24 Freedom of Information requests, one more than last year. Twenty-three of the 24 were responded to within 20 working days. In the other, we agreed an extension in advance of the response date with the requester, owing to the requirement to work on establishing the Qualified Person's Opinion. The responses provided were as follows:

- Fully released in 16 cases
- In two cases we had no information to release
- In two cases we did not release, applying Section 33 and Section 40 exemptions
- In the other three cases, we partly released, in one case applying Section 33 exemptions, in another case applying Section 33 and Section 36 exemptions, and in the other case applying Section 31 exemptions
- In the other case, we did not move forward with the request due to the required activity exceeding the resource levels for the task

Details of FOIA requests and responses are published on our website and can be found [here](#).

Sustainability and biodiversity reporting

We continue to seek opportunities to identify ways to further improve our environmental management activities and set these out in our environmental report.

CO2 emissions have risen in 2024-2025 (132,560 kg CO2) by 13% compared to the previous year. Our organisation and workload continue to grow as do our operations. See the section below on 'financial performance highlights' for details of our increased expenditure and increased staffing.

Our main impact on the environment arises from transport CO2 emissions when our inspectors visit education and training providers – 87% of emissions in 2024-2025. We conducted 406 core inspections in 2024-2025 and from Autumn 2024 we launched new inspection activities across a number of sectors, leading to more regular engagement. Examples include themed visits in the Welsh for Adults sector, enhanced visits in both the LGES and Post-16 sectors, monitoring inspections in the independent sector, monitoring visits for independent specialist colleges, and interim visits (IVs) in maintained schools and PRUs. We also carried out a considerable amount of follow-up inspection, thematic report and event/training activity.

Our total emissions from transport were 115,604 kg CO₂ in 2024-2025 (103,082 kg CO₂ in 2023-2024). Our private and hire car business mileage totalled 383,900 miles travelled during 2024-2025, compared to 367,814 in 2023-2024. Our air mileage totalled 29,542 miles and rail 8,213 miles during the reporting period.

Some stakeholder events are also held online, contributing to reducing our CO₂ emissions. In 2024-2025, of 21 stakeholder events, 9 were held online and of 43 external training events, 6 were held online. We held a further 4 internal training events, 2 held in person and 2 provided both in person and online.

Payment for gas usage within our building is apportioned by the landlord between the tenants and included in our service charge. Downsizing our office has impacted our gas usage over time, as has central services staff now following a pattern of hybrid working. CO₂ emissions from gas usage were 5,612 kg CO₂ in 2024-2025 (7,177 kg CO₂ in 2023-2024).

Regarding electricity, since 2023, the landlord introduced a new building-wide electricity contract. Payment for electricity usage within the building is apportioned by the landlord between the tenants and paid directly to them. Until then we had benefited from the All Wales Crown Commercial energy contract - a clean energy contract (not available to the landlord) with emissions reported as zero. Our office electricity usage now contributes to our CO₂ emissions (9% of our total emissions). Our scope 2 emissions for electricity were 11,344 kg CO₂ in 2024-2025.

This is also our seventh reporting year of zero waste going to landfill.

As well as being published on our website, our Environmental Policy is displayed in our office training facility. In line with the biodiversity duty, the Policy incorporates how we will maintain and enhance biodiversity and promote resilience. Our Environmental report 2024 includes our compliance with the section 6 duty of the Environment (Wales) Act.

The Green Dragon Environmental Standard recognises effective environmental management. Estyn was re-accredited to level 3 of the Standard in June 2024 with re-accreditation planned for the Autumn term 2025.

Financial performance highlights

Our expenditure for 2024-2025 totalled £17.121m, compared to an outturn in 2023-2024 of £15.666m, an increase of 9%. Operating costs rose significantly during the period because of domestic and international inflationary pressures.

In 2024-2025, we drew down additional Welsh Government grant funding totalling £500k to support several programmes of work including:

- Thematic review on promoting positive behaviour in Further Education
- Youth Work Inspections
- Safeguarding
- Welsh Immersion Education
- Thematic review of Welsh-Medium & Bilingual Training Schemes
- Work on Jobs Growth Wales+
- Rapid review of the use Generative Artificial Intelligence in schools and settings

We also received some funding from Medr as part of work on our thematic report on independent living skills.

Staff costs for the period include additional posts in both the Inspection and Central Services departments, with the average number of permanently employed whole-time equivalent persons for the period increasing by 7.5% whilst the number of agency and seconded colleagues increased by 24%. It also includes a 5% base pay award for all staff, effective from 1 April 2024, which is in keeping with our alignment with the award by the Welsh Government to its staff. In addition, we increased the recruitment and retention allowance for our Assistant Directors in order to create a 10% pay differential with those they line manage. We also implemented the same principle of establishing the 10% pay differential for Strategic Directors, although this was achieved within the SCS pay band 1. Details of our remuneration policy and pay rates are available within our published [Pay Policy Statement](#). The increase in staff costs is a significant factor in the increased overall expenditure compared to 2024-2025.

During the year, we continued to invest for the future by:

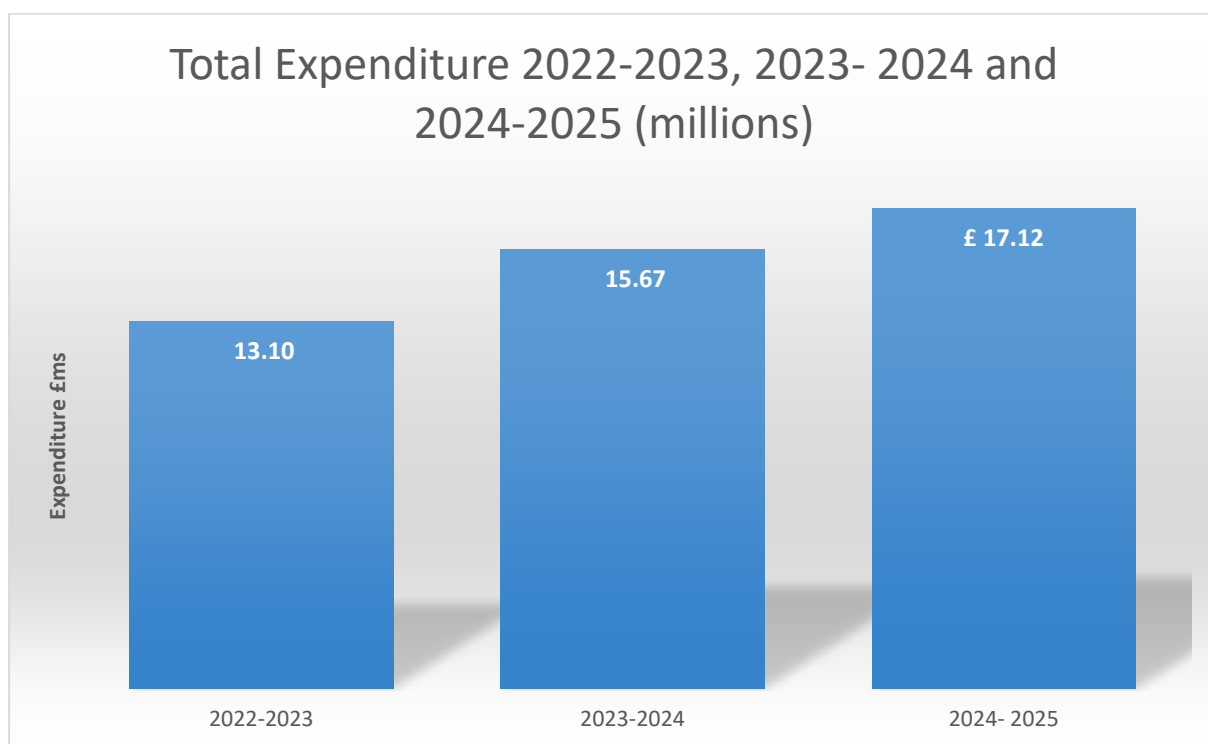
- refurbishing our conference area providing a lower cost venue for our training and stakeholder events
- commissioning research into stakeholder perceptions of Estyn; we will use data and insights from this work to benchmark our impact and feed into improvements
- further developing our Virtual Inspection Room application to deliver a more streamlined, efficient, and stable environment for colleagues to work with
- procuring e-learning technologies and services to develop and enhance staff knowledge and skills (including an application to improve Welsh language competencies)

- implementing a new website, improving our communication with our stakeholders through new technology and faster access to our work
- launching new inspection arrangements from the academic year 2024-2025
- continuing our digital transformation project that will leverage new technologies and systems to improve organisation efficiency and effectiveness

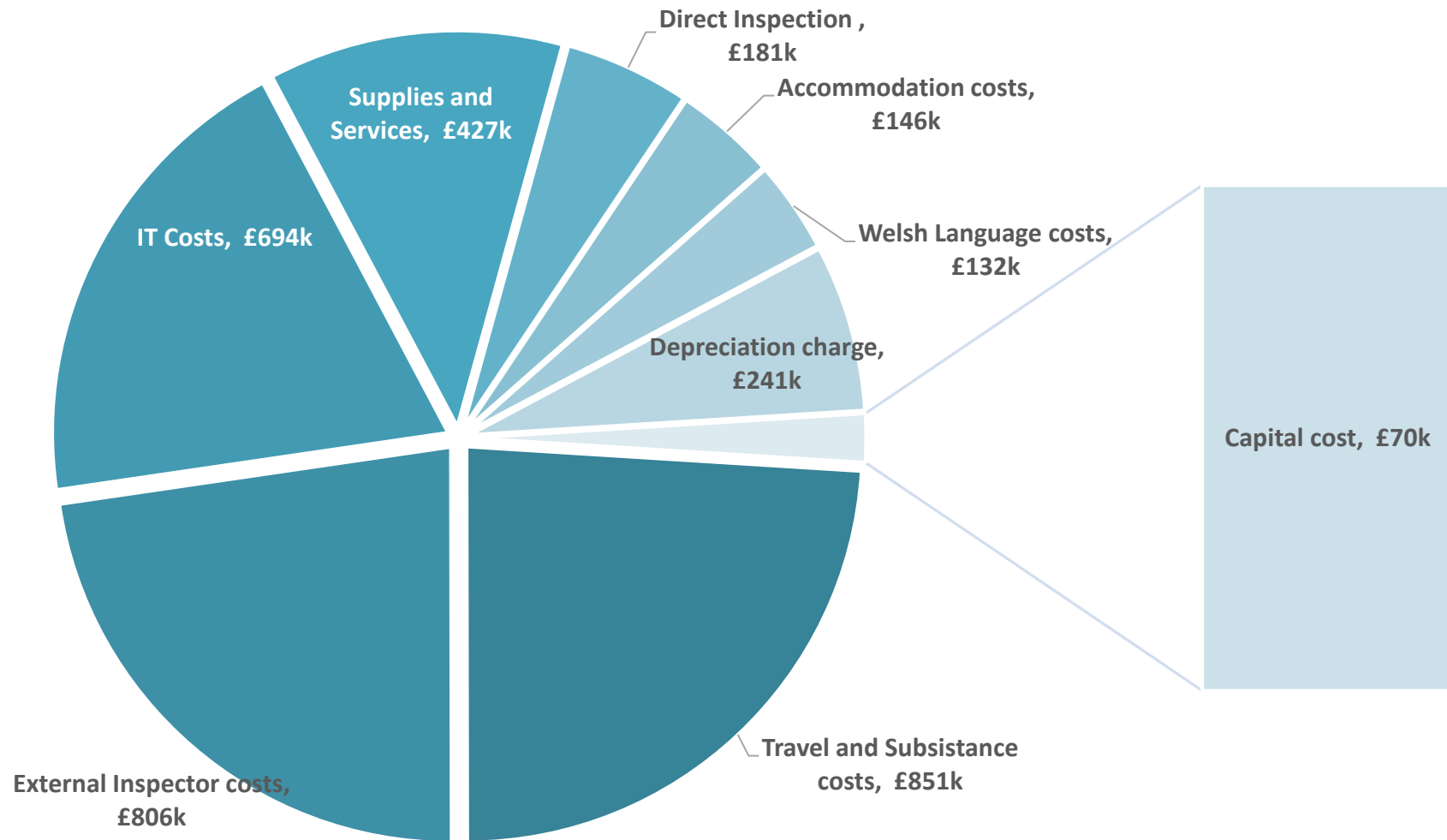
We used £72k of the £250k capital funding budget allocated by the Welsh Government. £24k was used to fund the website and the remainder used to replace end-of-life laptops for staff.

The Statement of Financial Position (SofFP) as of 31 March 2025 shows net liabilities of £178k (2023-2024: net liabilities of £1.17m). It is not unusual for our SofFP to show a relatively small surplus or deficit position at the end of a financial year due to the high level of receivables and payables.

During 2025-2026, we will receive funding from the Welsh Government to meet our liabilities in line with the 'going-concern' basis adopted in the preparation of these financial statements. No losses or special payments have been incurred in 2024-2025 and there were three members of staff who left under the early departure scheme.



Expenditure by Type 2024 – 2025





Section 2

The accountability report

2.1 Corporate governance report

The Directors report

Our **Strategic Management Group**, comprised of [executive members](#) (HMCI and strategic directors), supports and assists HMCI in leading and managing Estyn corporately. Our **Operational Group**, which is attended by our assistant directors and branch heads, supports HMCI in leading and managing our inspection and policy advice work, as well as day to day operational delivery. The **Inspection Leadership Group** discusses inspection related matters and is attended by HMI, Strategic and Assistant Directors.

Our **Strategy Board (the Board)**, consisting of executive members and non-executive members (non-executive directors), sets and monitors our strategic agenda. The Strategy Board is chaired by HMCI and has two sub-committees, chaired by non-executive members; the **Audit and Risk Assurance Committee** and the **Remuneration Committee**. A full record of [Strategy Board / Committee membership and attendance](#) can be found on our website.

Significant interests held by members

Declarations of interest are made by all permanent employees, secondees and temporary staff in line with our Managing potential conflicts of interest policy, and guidance set out in the Civil Service Code. No member of the Board holds directorship or other significant interests that might conflict with their management responsibility.

Personal data related incidents

One personal data related incident was reported to the Information Commissioner's Office during the year; in response we were advised that no further action was necessary. Our Information and Data Governance Group has monitored and reviewed information governance arrangements across the organisation and provided oversight of compliance with policies and assurance processes within our [Information governance policies](#).

Payment policy

In 2024-2025, we worked to achieve compliance with our responsibilities under the Late Payment of Commercial Debts (Interest) Act 1998 to pay undisputed suppliers' invoices within 30 days of receipt of goods or services or valid invoice, whichever is the later. This policy is stated in the Terms and Conditions covering Estyn Contracts. We paid 92% of invoices within 30 days. Failure to reach our target was mainly because of reduced staff resource due to sickness absence during 2024-2025.

92% of undisputed invoices were paid within 30 days (against a target of 100%)



Statement of accounting officer's responsibilities

HMCI is the Accounting Officer for Estyn. HMCI has prepared the statement of accounts in accordance with the Direction issued by HM Treasury and with the accounting principles and disclosure requirements set out in the Government Financial Reporting Manual. The Accounts are prepared on an accruals accounting basis and give a true and fair view of Estyn's state of affairs at the year-end and of its statement of comprehensive net expenditure; statement of financial position; cash flows, and statement of changes in taxpayers' equity for the financial year.

In preparing the accounts the HMCI has:

- complied with the accounts direction issued by HM Treasury
- complied with the relevant accounting and disclosure requirements and applied suitable accounting policies on a consistent basis
- made judgements and estimates that are reasonable and prudent
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts
- prepared the accounts on a going concern basis

The relevant responsibilities of the Accounting Officer, including the responsibility for the propriety and regularity of the finances of Estyn and for the keeping of proper records, are set out by HM Treasury.

HMCI confirms that:

- (a) as far as they are aware, there is no relevant audit information of which Estyn's auditors are unaware
- (b) the Accounting Officer has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that Estyn's auditors are aware of that information
- (c) the annual report and accounts as a whole is fair, balanced and understandable
- (d) they take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable



Owen Evans

His Majesty's Chief Inspector of Education and Training in Wales and
Accounting Officer

Date: September 16th 2025

The governance statement

Introduction

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Estyn's policies, aims and objectives while safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

In discharging this overall responsibility, I have maintained proper arrangements for the governance of our affairs. We have a sound system of internal control that facilitates the effective exercise of our functions and includes arrangements for the management of risk. The principles of The Corporate governance in central government departments: Code of Good Practice 2017 (The Code), within our context as a non-ministerial department, are reflected in our governance arrangements. This annual governance statement outlines how we maintain good governance and explains the main challenges we face and how these are being managed.

The governance framework

I have established a governance framework that describes the systems, processes, culture and values by which our organisation is directed and controlled and by which we monitor the achievement of our strategic objectives and engagement with our stakeholders. Throughout 2024-2025, we maintained our full governance arrangements with most of our meetings being held virtually. The diagram at the end of this statement succinctly illustrates the range and level of assurances that underpin our governance arrangements. Our [Corporate governance framework](#) is published on our website and reviewed annually.

A clear statement of our purpose and vision is set out on our website and in our Annual Plan. The Annual Plan outlines our overarching vision and sets out our principal aims and objectives. Information on our performance and delivery against the Annual Plan is also published on our website. Our plan reflected our work to continue with our new programme of inspections, which started in September 2024.

Oversight is exercised through our Strategy Board and its sub-committees (Audit and Risk Assurance Committee and Remuneration Committee). Members were supported throughout the year with access to appropriate technologies, such as Microsoft Teams, to ensure that business could be conducted securely and efficiently on a remote working basis. All components of our governance structure continued to work effectively.

During 2024-2025, the Strategy Board met four times and the Audit and Risk Assurance Committee (ARAC) met four times; three of the four Strategy Board meetings and three of the four ARAC meetings were attended in full by all members; in the other two instances

one member was not present. The Strategy Board has received sound external advice on strategic matters and risk management as part of the non-executive director role to provide challenge and support to our executive. Some of the key areas of review and discussion by the Strategy Board during 2024-2025 included:

- reviewing the arrangements for completing the previous cycle and moving to the new cycle of inspection
- considering how Estyn's role complements the new arrangements for the School Improvement Partnership Programme, and how we should adapt our work to evaluate the impact of this school improvement strategy
- reviewing Estyn's arrangements and Memorandum of Understanding in relation to our relationship with the newly established Medr
- providing feedback to inform the final procedure following external consultation on our Feedback and Complaints policy
- budget and allocation of resources
- reviewing updates to our Strategic Equality Plan
- HMCI's Annual Report
- reviewing our Raising a concern (including Whistleblowing) policy
- outcomes of CS People's Survey

In addition, during 2024-2025, a series of briefings have been arranged for our non-executive directors, covering the following areas:

- the opportunities afforded by artificial intelligence
- Estyn's whistle-blowing arrangements and procedures
- financial training, jointly delivered by Estyn and Audit Wales

Each meeting concludes with a self-evaluation of the effectiveness of the meeting; our non-executive directors have confirmed that they are content with proceedings and the quality of information presented and discussed at meetings, that they have appropriate input to the agenda and have sufficient opportunity to raise any concerns. The Strategy Board is satisfied that our whistleblowing arrangements are effective; no whistleblowing cases were raised in 2024-2025.

We liaise with the Welsh Government on matters of financial management. Accountability is managed through an Accounting Officer Agreement between HMCI and the Additional Accounting Officer designated by the Welsh Government, currently the Welsh Government's Chief Operating Officer. This link governance arrangement helps to maintain our independence in training and education matters, although close links with the Welsh Government's Education Group continues to support a strategic and coherent approach on key matters and emerging priorities.

Audit and impact

An annual report of the Chair of the ARAC is published on our website; the report highlights the key work undertaken during the year and comments on the internal audit reviews undertaken and reported to the committee. The Chair's report for 2024-2025 provides assurances on the quality of audit work and the effectiveness of the committee; the committee is satisfied that our arrangements for governance and risk management were appropriate throughout 2024-2025. For each of the audits that were undertaken in the financial year, Estyn received full assurance, and in two cases no recommendations for action were required.

In addition, the committee continues to receive updates in relation to the actions following the earlier business continuity and workforce planning audits, with papers to explain the evolving timeline for carrying through the developments to each of the processes, and the interconnections between the various recommendations.

Throughout 2024-2025, our internal audit service has been provided by TIAA. The work has been carried out remotely, and we have continued to work closely with audit staff to ensure that this does not hinder the effectiveness and quality of the service provided.

Our ARAC approved the 2024-2025 audit programme, using a risk-based approach to establish areas of coverage within a rolling three-year audit programme agreed with TIAA. Progress against the audit plan was monitored and at the year-end an annual report of the Internal Auditor was considered. This report advised on the work undertaken during the year and furnished an overall view on the internal control environment for consideration by members of the ARAC. The outcome from the internal audit coverage informed the Head of Internal Audit's opinion on the overall adequacy of our internal control framework; *'for the areas reviewed during the year, Estyn has reasonable and effective risk management, control and governance processes in place'*. Work completed by our internal auditors during 2024-2025 resulted in reports that included an independent opinion on the adequacy and effectiveness of the system of internal control together with recommendations for improvement. All internal audit assurance reports were reviewed and the main issues arising discussed by the ARAC, which was satisfied that all management actions had been implemented or were being actioned.

Table 1: 2024-2025 internal audit programme

Reports	Assurance rating	Number of recommendations (priority rating)
Strategic planning	Substantial	4 (2 routine, 2 operational)
Risk management	Substantial	1 (routine)
Payroll	Substantial	1 (routine)
Staff wellbeing	Substantial	6 (5 routine, 1 operational)
Information governance	Substantial	1 (routine)
Complaints management	Substantial	None
Post-implementation of Inspection 2024	Substantial	None
Quality assurance of inspection	Substantial	4 (3 routine, 1 operational)

* Audit work undertaken in 2023-2024 and reported in 2024-2025

Our Remuneration Committee met twice during 2024-2025. The first considered the review of HMCI and Strategic Directors' performance and objectives for the year ahead. Committee members also provided advice to HMCI regarding pay levels and allowances for members of the Senior Civil Service. The second was an extraordinary meeting conveyed to review the terms of reference for the Remuneration Committee.

As in previous years, we ensured compliance with Managing Welsh Public Money, Cabinet Office Procurement Policy Notes and Welsh Dear Accounting Officer (DAO) letters. Our Assistant Director for Inspection and Central Services provided an assurance statement to each Audit and Risk Assurance Committee, which reported on the above and provided assurance on other relevant areas, such as procurement, the meeting of tax obligations, feedback and complaints, responses to Freedom of Information requests, adherence with the civil service recruitment principles and compliance with Cabinet Office reporting.

We work closely with the Welsh Government but maintain our status as an independent body. Therefore, as a non-ministerial department we are not subject to Ministerial Directions.

No member of the Strategy Board held directorships or other significant interests that conflicted with their work responsibilities. A Register of Interest and Gifts and a Hospitality Register is maintained for all our permanent employees, secondees and temporary staff.

The above assurance areas were also covered within the regular assurance statement presented at each meeting of the ARAC, along with updates on fraud, information security, tracking against performance indicators, and financial matters impacting the annual accounts.

Managing risk

Following an audit in 2022-2023, we published a revised risk management policy in November 2023, which streamlined our approach to managing risk. An advisory audit in 2023-2024 took the form of risk management workshops involving executive and non-executive members. A further audit took place in 2024-2025 and substantial assurance was provided with only one routine action recommended. The revised strategic risk register is regularly reviewed by our Strategic Management Group (and further reviewed at Strategy Board). The corporate risk register is reviewed at Operational Group / Inspection Leadership Group. Each risk has an individual owner. Risk owners provide assurance and evidence that key controls for managing risks are in place and are working effectively. Central Services functional risks continue to be directly managed within each area controlled by established governance fora including desk instructions and operational procedures / contingency planning. We continued to ensure that supportive measures were in place to manage potential risks of remote working.

Annual assurance statements for 2024-2025, completed by all our directors, provided confirmation that there were no major concerns and that action had been taken where minor issues of control had been identified. Information security incidents and near misses are logged and reported to our Information and Data Governance Group (IDGG) and Operational Group (OG). There were no reportable losses of personal data in 2024-2025. Where appropriate, we also sought and received assurances externally, for example from the Welsh Government in respect of the payroll and human resources services it provides to us under a formal service level agreement.

Significant governance issues

During 2024-2025 we introduced a new cloud-based accounting system to improve our financial planning and reporting capability, and to create opportunities for operational efficiencies in processing financial transactions.

The previous system was in place for many years and the transition to the new software was challenging. The original design proved overly complex and, during the year, we simplified our approach. Although this revision was disruptive and stretched our resources and reporting capability, the reworked design has delivered greater control and clarity of our financial transactions and the benefit of prompt reporting directly from the system. We have also built on the strong internal controls on expenditure from the previous system, setting transaction permissions to enable more effective budgetary control throughout Estyn.

An advisory audit by TIAA in March 2025 on the implementation and operation of Intacct made a number of recommendations, many of which we had already identified. All of these recommendations have subsequently been implemented.

We have also taken the opportunity of reviewing our register of fixed assets and have de-recognised a significant number of fully depreciated items that were past their useful life. This is shown in note 5 to the accounts.

During this financial year, I have been reassured by the processes in evidence and the engagement and commitment to our values and the civil service code shown by colleagues.

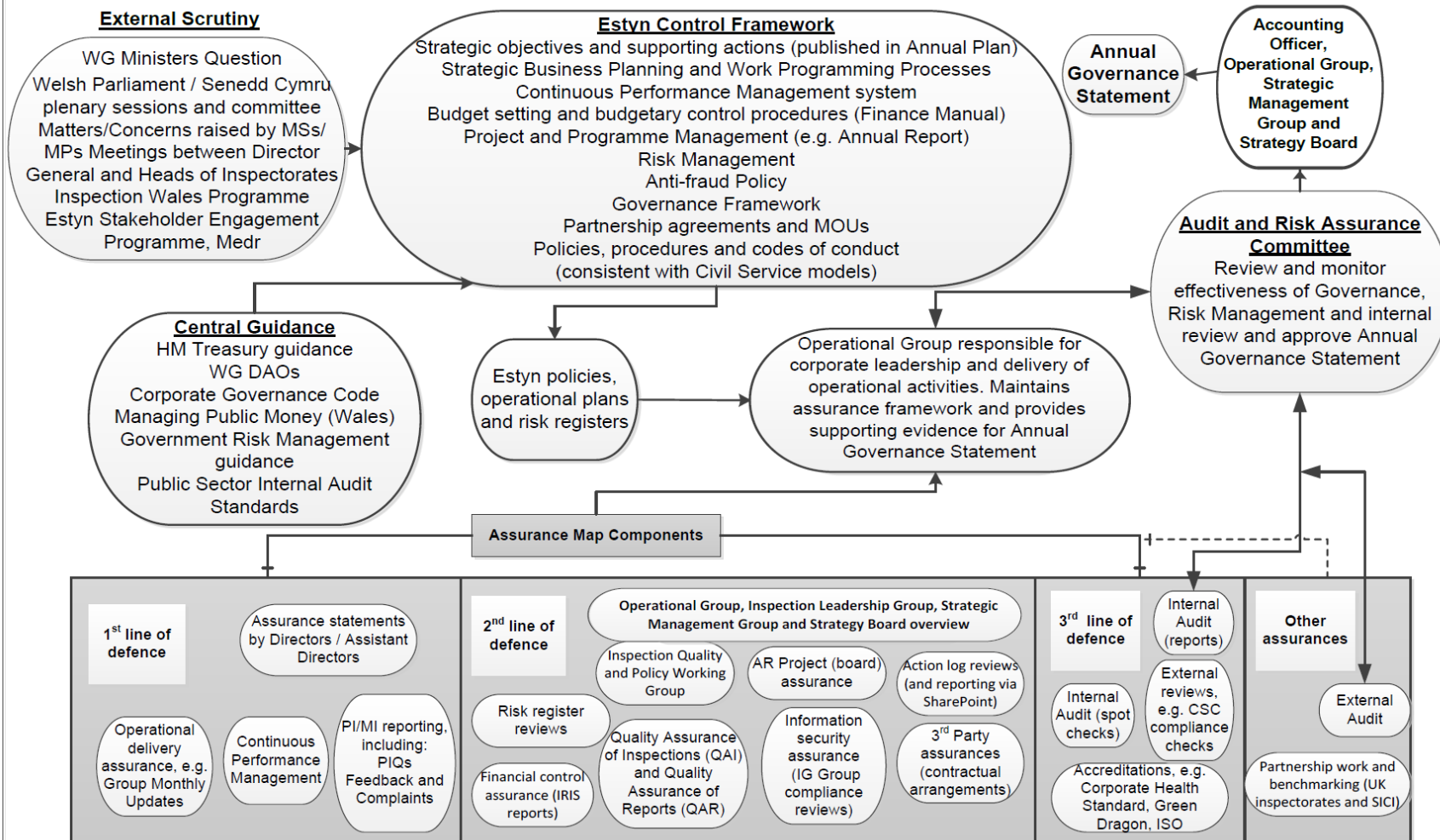
A handwritten signature in grey ink, appearing to read 'Owen Evans', written over a faint horizontal line.

Owen Evans

His Majesty's Chief Inspector of Education and Training in Wales and Accounting Officer

Date: September 16th 2025

Estyn assurance and scrutiny framework arrangements



2.2 Remuneration and staff report

The remuneration of His Majesty's Chief Inspector of Education and Training in Wales is determined by the National Assembly for Wales under paragraph 3 of Schedule 2 to the Education Act 2005.

For other permanent senior staff members of the Board, remuneration was determined by Estyn's Remuneration Committee comprising the Chief Inspector of Education and Training in Wales and five non-executive directors, in accordance with Cabinet Office guidance on Senior Civil Service (SCS) remuneration.

In reaching its recommendations, the Estyn Remuneration Committee has regard to the following considerations:

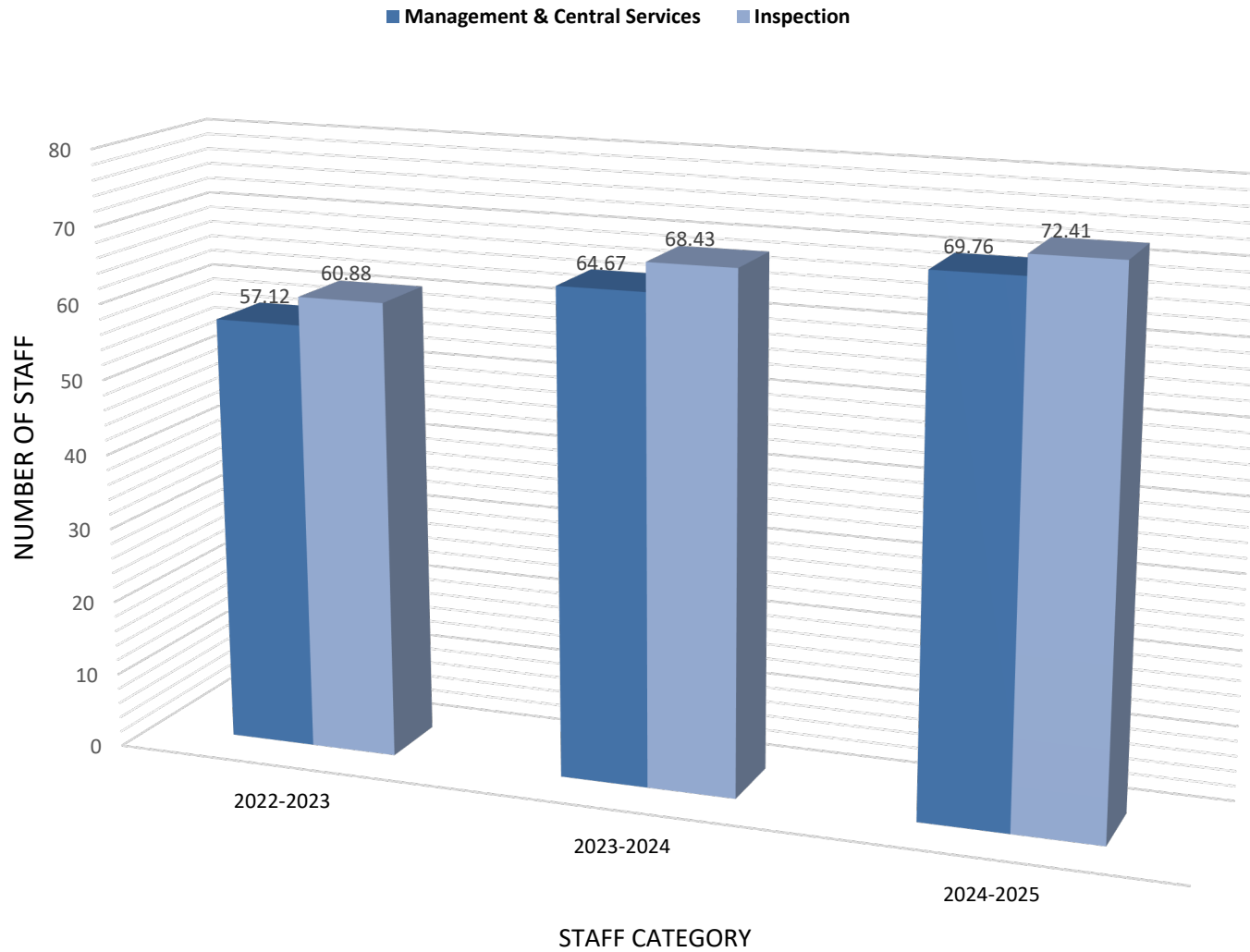
- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities
- benchmarking information available from Cabinet Office and other Government departments, including those closest to Estyn in location and work type
- the funds available to the department and the advice available annually from the Welsh Government
- Government policies for improving public service delivery and the role of performance management in securing and recognising value to the organisation and rewarding contributions to business and corporate objectives

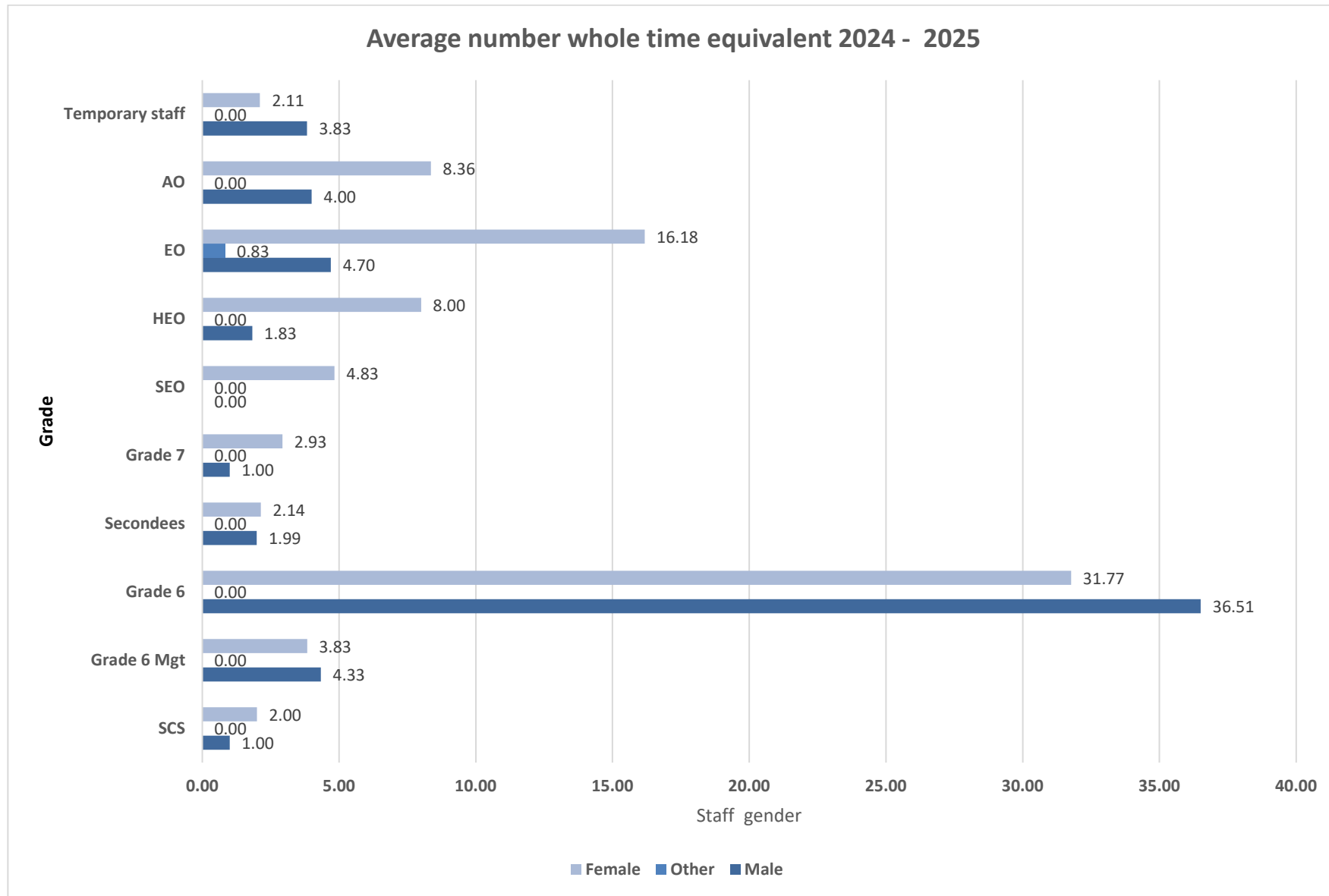
The Estyn Remuneration Committee takes account of the evidence available in respect of wider economic considerations and the affordability of its recommendations.

In agreeing pay awards for individual staff, the Estyn Remuneration Committee take regard of the following criteria:

- the individual's growth in competency
- challenge associated with the job
- confidence in the individual's future performance

Average whole time equivalent persons employed by staff category for 2022-2023, 2023-2024 and 2024-2025





The following sections provide details of the remuneration and pension interests of the most senior officials (i.e. Board members) of Estyn.

Remuneration¹ (salary, benefits in kind, and pensions)

Officials	2024-2025 Salary £000's	2024-2025 Non- Consolidated Performance Pay £000's	2024- 2025 Benefits in kind (to nearest £100)	2024- 2025 Pension benefits to nearest £1,000	2024- 2025 Total ²£000 's	2023-2024 Salary £000's	2023-2024 Non- Consolidated Performance Pay £000's	2023-2024 Benefits in kind (to nearest £100)	2023- 2024 Pension benefits to nearest £1,000	2023-2024 Total £000's
Owen Evans CBE, His Majesty's Chief Inspector of Education & Training in Wales	155-160	-	-	42	195-200	150-155	-	-	59	205-210
Claire Morgan, Strategic Director	100-105	-	-	41	145-150	95-100	-	-	38	130-135
Jassa Scott, Strategic Director	100-105	-	-	63	165-170	95-100	-	-	59	155-160
Mererid Wyn Williams, Assistant Director Inspection and Central Services	95-100	-	-	55	150-155	90-95	-	-	41	130-135
Dr Emyr Roberts, Non-Executive Director	5-10	-	-	-	5-10	5-10	-	-	-	5-10
Professor Charlotte Williams OBE FRS, Non-Executive Director	0-5	-	-	-	0-5	0-5	-	-	-	0-5
Professor Brett Pugh, Non-Executive Director	0-5	-	-	-	0-5	0-5	-	-	-	0-5
David Jones OBE, Non-Executive Director	0-5	-	-	-	0-5	5-10	-	-	-	5-10
Maria Rimmer, Non-Executive Director	5-10	-	-	-	5-10	0-5	-	-	-	0-5

¹ Audited

² These figures will be affected by the Public Services Pensions Remedy. See "Civil Service Pensions" section below.

Pension³ entitlements for senior managers

Officials	Accrued pension at pension age as at 31/3/25 and related lump sum⁴ £000's	Real increase/ (decrease) in pension and related lump sum at pension age £000's	CETV at 31/3/25 £000's	CETV at 31/3/24 £000's	Real increase/ (decrease) in CETV £000's	Employer contribution to partnership pension account nearest £100
Owen Evans His Majesty's Chief Inspector of Education & Training in Wales	55-60 plus lump sum of 0	2.5 - 5 plus lump sum of 0	908	801	28	-
Claire Morgan Strategic Director	40-45 plus lump sum of 0	0 – 2.5 plus lump sum of 0	763	665	33	-
Jassa Scott Strategic Director	40-45 plus lump sum of 0	2.5-5 plus lump sum of 0	750	701	36	-
Mererid Wyn Williams Assistant Director Inspection and Central Services	30-35 plus lump sum of 0	2.5-5 plus lump sum of 0	610	541	42	-

³ audited⁴ These figures will be affected by the Public Services Pensions Remedy. See “Civil Service Pensions” section below

Salary includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by Estyn and thus recorded in these accounts.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date, all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has 4 sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022.

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022."

All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the 2 schemes.) Members joining from October 2002 may opt for either the appropriate defined

benefit arrangement or a ‘money purchase’ stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% of pensionable earnings for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to 3 years’ initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on their pensionable earnings during their period of scheme membership.

At the end of the scheme year (31 March) the member’s earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases, members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer’s basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement). The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the 2 schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website: www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with the Occupational Pensions Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation for loss of office

Exit Package: Reporting of Civil Service and other compensation schemes –exit packages⁵

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-
£10,000 - £25,000	-	-	-
£25,000 - £50,000	-	3	3
£50,000 - £100,000	-	-	-
£100,000 - £150,000	-	-	-
£150,000 - £200,000	-	-	-
Total number of exit packages	-	3	3
Total resource cost/£000	-	£100,000 - £150,000	£100,000 - £150,000

Fair pay disclosure

We are required to disclose the relationship between the highest paid Director in Estyn and the average remuneration of our workforce. Total remuneration includes the items detailed in the above “Salary” paragraph. It does not include employer pension contributions, severance payments or the CETV of pensions. It also takes account of the increases made to Assistant and Strategic Director remuneration to establish a 10% differential with those they line manage.

⁵ Audited

Remuneration relationship

	2024-2025 £000's Chief Inspector	2024-2025 £000's Employee	2024-2025 £000's Ratio	2023-2024 £000's Chief Inspector	2023-2024 £000's Employee	2023-2024 £000's Ratio
Total Pay and benefits						
25 th percentile pay ratio	158	34	4.65	153	32	4.78
Median pay	158	87	1.82	153	77	1.99
75 th percentile pay ratio	158	87	1.82	153	82	1.86
Salary component of total pay						
25 th percentile pay ratio	158	34		153	32	
Median pay	158	87		153	77	
75 th percentile pay ratio	158	87		153	82	
Percentage changes				2023-2024 to 2024-2025	2022-2023 to 2023-2024	
% Change from previous financial year in respect of the Chief Inspector						
Salary and allowances				3.27%	7.02%	
Performance pay and bonuses				0.00%	0.00%	

Average % Change from previous financial year in respect of employees

takes as a whole

Salary and allowances	0.51%	1.79%
-----------------------	-------	-------

Remuneration ranged from £24,420 to £157,406 (2023/24 = £23,258 - £150,710). Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, temporary payments, employer pension contributions and the cash equivalent transfer value of pensions.



Owen Evans

His Majesty's Chief Inspector of Education and Training in Wales and
Accounting Officer

September 16th 2025

Staff report

The average number of whole-time equivalent persons employed (including senior management) during the year was as follows:

Year	Permanently employed staff	Other ^[1]	Total staff
2023-2024	124.36	8.75	133.1
2024-2025	132.11	10.07	142.1

Staff sickness rates are as follows:

Headline staff measures

Measure	2023-24	2024-25
Sickness absence rate	2.9%	5.2%
Proportion of staff accruing sickness absence	35.3%	42.3%
Average working days lost per employee	6.2	11.8
Average length of absence	8.4	14.6
Sickness absence occurrences (new)	92	104
Proportion of long term absence	67%	83%

Mental health accounted for 43% of all sickness absence.

For information about our approach to ensuring equality and diversity in our recruitment and retention practices, see page 24 above.

Total sickness absence rate of 5.2% against a target of <4%



^[1] Other staff refers to secondees and agency staff.

2.3 Accountability and audit report

The Certificate and report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Estyn: His Majesty's Inspectorate of Education and Training in Wales (Estyn) for the year ended 31 March 2025 under the Government of Wales Act 1998.

The financial statements comprise the Statement on Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and related notes, including the material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of Estyn's affairs as at 31 March 2025 and of its net expenditure and application of resources, for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.
- have been properly prepared in accordance with HM Treasury directions issued under the Government of Wales Act 1998.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Estyn is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the annual report other than the financial statements and other parts of the report that are audited and my auditor's report thereon. The Accounting Officer is responsible for the other information in the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government of Wales Act 1998.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions made under the Government of Wales Act 1998; and
- the information given in the Chief Inspector's Foreword, Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Chief Inspector's Foreword, Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit.
- proper accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;

- assessing Estyn's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Estyn will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government of Wales Act 1998.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, Estyn's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Estyn's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals; suspension of access controls in financial ledger;
- Obtaining an understanding of Estyn's framework of authority as well as other legal and regulatory frameworks that Estyn operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Estyn;
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Strategy Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Estyn's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.



Adrian Crompton

Auditor General for Wales

17 September 2025

1 Capital Quarter

Tyndall Street

Cardiff



Section 3

Financial statements

3.1 Statement of comprehensive net expenditure for the year ended 31st March 2025

		2024-2025 Outturn £000s	2023-2024 Outturn £000s
Resources			
Staff costs	2	13,641	12,110
Depreciation	5a&b	241	234
Auditor's remuneration	3	33	31
Other expenditure	3	3,213	3,297
Total Resources		17,128	15,672
Miscellaneous Income	3	(7)	(6)
Net Operating Costs for the Year		17,121	15,666

Net expenditure is reported as a single segment in line within [Estyn Annual Plan 2024-2025](#)

The notes on pages 75 to 85 form part of these accounts.

The financial statements were approved by the Accounting Officer and authorised for issue on 16th September 2025 by:



Owen Evans

His Majesty's Chief Inspector of Education and Training in Wales and
Accounting Officer

September 16th 2025

3.2 Statement of financial position at 31st March 2025

		2024- 2025 £000s	2024- 2025 £000s	2023- 2024 £000s	2023- 2024 £000s
<u>Non-current assets</u>					
Property, plant, and equipment	5a	209		287	
Intangible assets	5b	99		123	
Right-Of-Use assets	5a	122		191	
<u>Total non-current assets</u>			430		601
<u>Current assets</u>					
Trade and other receivables	7	458		188	
Cash and cash equivalents	8	992		633	
<u>Total current assets</u>			1,450		821
<u>Total assets</u>			1,880		1,422
<u>Current liabilities</u>					
Trade and other payables	9	(1,882)		(2,340)	
Lease liabilities	11	(77)		(78)	
<u>Total current liabilities</u>			(1,959)		(2,418)
<u>Total assets less current liabilities</u>			(79)		(996)
<u>Non-current liabilities</u>					
Provisions	10	(55)		(55)	
Lease liabilities	11	(44)		(119)	
<u>Total non-current liabilities</u>			(99)		(174)
<u>Assets less liabilities</u>			(178)		(1,170)
<u>Total Taxpayer's Equity</u>			(178)		(1,170)

3.3 Cash Flow 2024-2025

	Note	2024-2025 £000s	2023-2024 £000's
<u>Cash flows from operating activities</u>			
Net Operating Cost		(17,121)	(15,666)
<u>Adjustments for non-cash transactions:</u>			
Depreciation	5a&b	241	234
Other Costs - provisions	10		10
Increase / (Decrease) in Trade & other payables	9	(458)	281
(Increase) / Decrease in Trade & other receivables	7	(51)	2
Increase / (Decrease) contribution received in advance			(11)
Interest element on lease liability payments	11	2	3
<u>Less movements in payables not passing through the SoCNE:</u>			
Capital creditors		-	-
Grant funding		-	-
Net Cash outflow from operating activities		(17,387)	(15,147)
<u>Cash flows from investing activities</u>			
Purchase of Property, Plant & equipment	5a	(36)	(161)
Purchase of intangible assets	5b	(34)	(44)
Net cash flow from investing activities		(70)	(205)
<u>Cash flows from Financing activities</u>			
Financing activities – lease repayments	11	(78)	(76)
Net Funding received		17,894	14,600
Net cash flow from financing		17,816	14,524
Net Increase / (Decrease) in cash and cash equivalents		359	(828)
Cash and Cash equivalents at beginning of year	8	633	1,461
Cash and Cash equivalents at end of year	8	992	633

3.4 Statement of Change in Taxpayer's Equity

	£000s	£000s
Accumulated deficit at April 1st 2024		(1,170)
Total recognised income and expense for 2024-2025	(17,121)	
Welsh Government Grant in Aid 2024-2025	17,615	
Other Grant Funding 2024-2025	498	
Surplus for the year		992
Accumulated deficit at 31 March 2025		(178)

	£000s	£000s
Accumulated deficit at April 1st 2023		(104)
Total recognised income and expense for 2023-2024	(15,666)	
Welsh Government Grant in Aid 2023-2024	14,431	
Other Grant Funding 2023-2024	169	
Deficit for the year		(1,066)
Accumulated deficit at 31 March 2024		(1,170)

The notes on pages 75 to 85 form part of these accounts.

3.5 Notes to the resource accounts

1 Statement of accounting policies

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) 2024-2025 issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, Estyn has selected the policy it judged to be the most appropriate to its circumstances, for the purpose of giving a true and fair view. The accounting policies adopted by Estyn for 2024-2025 are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

In consultation with HM Treasury and the Welsh Government, we agreed a revised accounts direction in 2011-2012 which continues to be used.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of fixed assets and intangible assets at their fair value. Expenditure on services, licences and subscriptions which straddle more than one financial year are treated as costs within the financial year that the payment is made, unless the individual prepaid amount exceeds £1000.

1.2 Property, plant and equipment and Intangible assets

Expenditure is capitalised where the asset purchased is expected to have a useful life extending over several years and the cost of the item exceeds £1,000 or the cost of a cluster of similar items, e.g. laptops, exceeds £10,000. Fixed assets are shown at cost less an allowance for depreciation (see note 1.3 below). Given that no property is held, it is the opinion of Estyn, that there is no material difference between the historic net book value of the assets and their fair value.

Assets which have been fully depreciated and have no further use, are de-recognised from the Fixed Asset Register resulting in reductions in historical costs and accumulated depreciation balances.

1.3 Depreciation

Depreciation is provided at rates calculated to write off the value of fixed assets by equal instalments over their estimated useful lives. In the year 2022-2023 we changed from an annual depreciation charge to a monthly depreciation charge – depreciation is charged from the month that the asset is acquired. The impact on the Income and Expenditure Account and the Fixed Asset value is not material. Asset lives remain as follows:

- IT Equipment 3-5 years
- Furniture & Fittings 5 years

- Office Equipment 5 years
- IT Systems 5 years
- Intangible Assets 3 years

Where an impairment of a tangible fixed asset has occurred the net impairment is charged to the Statement of Comprehensive Net Expenditure in the year in which it has occurred.

1.4 Provisions

Provisions are included in the accounts for liabilities that are likely or certain to arise but uncertain as to the amount or dates on which they will arise. Provisions are created or increased by making a charge to revenue expenditure in the year of creation. When the expenditure is actually incurred, the expenditure is charged directly to the provision. The provision included within these accounts are regarded as short term, within one year and medium term, between two and five years. All provisions are subject to annual review, to ensure they are still relevant and sufficient to fund the specific future liability.

The provision in the accounts is for the works required to restore the property back to its original condition prior to tenancy. This is a requirement of the lease agreement, and the clause is activated when we vacate the Cardiff office.

1.5 Operating income

Operating income is income that relates directly to the operating activities of Estyn.

It principally comprises fees and charges for services provided and other miscellaneous income. HM Treasury has issued a receipts direction allowing Estyn to retain such receipts.

1.6 Staff costs and other costs

The Statement of Comprehensive Net Expenditure is analysed between Staff and Other costs incurred in the undertaking of Estyn's purpose. The Welsh Government provides Estyn with a single budget line for Revenue expenditure and a separate budget line for Depreciation. Estyn has discretion to allocate its revenue budget in accordance with its operational requirements. For transparency, 'Other costs' are reported in Note 3 against sub totals for Administration expenditure and Programme expenditure.

1.7 Value Added Tax

Most of our activities are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.8 Pensions

Present and past employees are covered by the provisions of the Civil Service Pension

Schemes, which are described in Note 3. The defined benefit elements of the schemes are unfunded and are non-contributory except in respect of dependents' benefits. Estyn recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, Estyn recognises the contributions payable for the year.

1.9 Early departure costs

Estyn is required to meet the additional cost of benefits beyond the normal PCSPS benefits in respect of employees who retire early. Estyn provides for this cost in full when the liability arises.

1.10 Right of use assets

Estyn no longer has an operating lease, following the implementation of right of use asset and lease liability is recognised at the commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs, prepayments, and incentives. The right of use assets are subsequently measured at either fair value or current value in existing use in line with property, plant and equipment assets.

The cost measurement model in IFRS 16 (International Financial Reporting Standard) is used as an appropriate proxy for current value in existing use of fair value. The right of use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property, plant and equipment assets. IAS 36 (Impairment of Assets) is used to determine whether the right of use asset is impaired and to account for any impairment loss identified.

1.11 Cash and Cash Equivalents

Cash and cash equivalent is solely composed of the balance held at Estyn's bank accounts.

1.12 Trade and Other Receivables

Trade and other receivables comprise prepaid expenditure above the minimum limit described in 1.1 Accounting convention, recoverable VAT, grant income receivable at year end and other receivables.

1.13 Trade and Other Payables

Trade and other payables comprise amounts owing in respect of supplier invoices, accruals for expenditure incurred but not yet invoiced by suppliers and recognition of the liability to pay holiday pay for employees who have a remaining leave balance at year end.

1.14 Going Concern Concept

Estyn is expected to remain in existence for the foreseeable future and will receive funding from the Welsh Government to meet all its current liabilities when they mature in the 2025-2026 financial year. It has accordingly been considered appropriate to adopt a 'going-concern' basis for the preparation of these financial statements.

1.15 Accrued Leave

Staff annual leave accrual is accounted for within Table 2 – Staff costs. The accrual is a calculation to reflect the net annual leave owed or owing to staff at the year end. Movement in year is now charged as an accrual within salaries.

2 Staff costs

Description	2024-2025 Total £000's	Permanently Employed Staff £000s	Agency & secondes £000s	2023-2024 £000s
Wages and Salaries	8,986	8,986	-	8,089
Social Security Costs	1,062	1,062	-	938
Pension Costs	2,572	2,572	-	2,299
Total Net Costs	12,620	12,620	-	11,326
Plus:				
Secondes in	434	-	434	493
Agency Staff	408	-	408	167
NED costs	27	27		28
Apprenticeship Levy	29	29		28
Early departure	123	123		68
Total Staff Costs	13,641	12,799	842	12,110

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “Alpha” – are unfunded multi-employer defined benefit schemes, but Estyn is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the PCSPS as at 31 March 2012. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation [here](#).

For 2024-2025, employers’ contributions of £2.572m were payable to the PCSPS (2023-2024 £2.299m) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2024-2025 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

3 Other Costs

	2024-2025 £000s	2023-2024 £000s
Other Costs 2024-2025		
Rental Under Operating leases - Accommodation	14	18
Other Accommodation	131	142
IT & Telecoms	694	754
Travel Subsistence & hospitality	851	697
Welsh Government Central Services	23	26
Auditors Remuneration - audit of accounts	33	31
General Administration Costs	511	503
Non-Cash items:		
Change Provision for accommodation refit costs	-	10
Lease liability interest charge	2	3
Lease (Right of use of asset) depreciation	69	78
-Tangible asset depreciation	114	112
-Intangible asset depreciation	58	44
Sub Total	2,500	2,418
Operating Income	(7)	(6)
Total Net Administration Costs	2,493	2,412
Additional Inspection Related Costs		
External inspector costs	806	845
General inspection related costs	181	299
Sub Total	987	1,144
Total Other Costs	3,480	3,556
Excluding Depreciation	3,239	3,322
Excluding Depreciation and Income	3,246	3,328

4 Miscellaneous Income 2024-2025

	2024-2025 £000s	2023-2024 £000s
Income:		
Registration fees	(7)	(2)
Miscellaneous	-	(4)
Total Income	(7)	(6)

5a Tangible Fixed Assets

	IT Equipment £000s	Furniture & Fittings £000s	Office Equipment £000s	Right of Use Asset £000	Total £000s
Cost or valuation					
At 1 April 2024	1,029	191	3	347	1,570
Additions	31	-	5	-	36
Disposals	(33)	-	-	-	(33)
De-recognised	(572)	(123)	(3)	-	(698)
At 31 March 2025	455	68	5	347	875
Depreciation					
At 1 April 2024	801	132	3	156	1,092
Charged in year	101	12	1	69	183
Disposals	(33)	-	-	-	(33)
De-recognised	(572)	(123)	(3)	-	(698)
At 31 March 2025	297	21	1	225	544
Net book value					
At 31 March 2025	158	47	4	122	331
At 31 March 2024	228	59	-	191	478
Asset Financing:					
Owned	158	47	4	-	209
Leased	-	-	-	122	122

5b Intangible Assets

	Software	Training Materials	IT Systems	Website Development	Total
	£000's	£000's	£000's	£000's	£000's
Cost					
At 1 April 2024	11	3	443	-	457
Reclassifications	-	22	(1)	-	21
Additions	-	-	-	34	34
De-recognised ⁶	(11)	(22)	-	-	(33)
At 31 March 2025	-	3	442	34	479
Depreciation					
At 1 April 2024	11	1	322	-	334
Reclassifications	-	21	-	-	21
Charged in year	-	1	49	8	58
De-recognised	(11)	(22)	-	-	(33)
At 31 March 2025	-	1	371	8	380
Net book value					
At 31 March 2025	-	2	71	26	99
At 31 March 2024	-	2	121	-	123

6 Financial instruments

Whilst Estyn receives its money via the Welsh Government and not through the normal supply estimates, most of the financial instruments relate to contracts for non-financial items in line with their expected purchase and usage requirements and Estyn's exposure to credit, liquidity or market risk is therefore minimal. Estyn does not hold financial instruments that are complex or play a significant medium-to-long-term role in the financial risk profile of Estyn.

Liquidity risk

Estyn relies primarily on funding from the Welsh Government for its resource requirements

⁶ As per the accounting policy in note 1.2, fully depreciated assets that have no further use have been de-recognised.

and is not therefore exposed to significant liquidity risks.

Interest rate and foreign currency risk

Whilst the bank balance that Estyn holds is material, the risk related to the balance is minimal as it is held within the Government Banking Service (GBS) set of bank accounts. All material deposits and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or foreign currency risk.

Credit risk

Estyn is funded, under legislation, by the Welsh Government and is therefore not exposed to any material credit risks.

7 Trade and other receivables

	2024-2025 £000s	2023-2024 £000s
Amounts Falling Due within Year		
Other receivables	101	20
Grant funding receivable	219	-
Prepayments and accrued income	138	168
Total Debtors	458	188

8 Cash and Cash Equivalents

	31 March 2025 £000s	31 March 2024 £000s
Opening Balance	633	1,461
Net Cash Inflow/(outflow)	359	(828)
Closing Balance	992	633

9 Payables and Accruals

	31 March 2025 £000s	31 March 2024 £000s
Amounts falling due within one year		
Payables	301	575
Payroll Funding	1,581	1,765
Total	1,882	2,340

10 Provisions for liabilities

Provisions for liabilities of £55k (31st March 2024 - £55k) are in respect of obligations arising for refitting of the leased office property to its original condition on termination of the lease in October 2026.

11 Leases Right of use assets

Right of use assets relate to lease properties that do not meet the definition of investment properties and are presented within Note 5a – Property, Plant & Equipment. Estyn has only one lease which is in respect of the Anchor Court office premises. The lease expires in October 2026 and included a break-out clause at 1 November 2023 and 1 November 2024, neither of which were enacted.

Right of Use Assets have been measured at the present value of the lease liability, discounted at the incremental borrowing rate promulgated in the PES Treasury papers. The cost model will be used as a proxy for the current value in existing use in subsequent years.

	Lease Liability £000s
Balance at 31 March 2024	197
Additions in year	-
Lease payment	(78)
Interest Charge	2
Balance at 31 March 2025	121
Current lease liabilities	77
Non-current lease liabilities	44
	121

12 Other commitments

Estyn has not entered any non-cancellable contracts (which are not operating leases) as at 31st March 2025 (there were no non-cancellable contracts as at 31st March 2024).

13 Capital commitments

There are no capital commitments at 31st March 2025.

14 Contingent liabilities

There were no contingent liabilities at 31st March 2024 or 31st March 2025.

15 Related party transactions

The Welsh Government is a related party to Estyn. Material transactions with Welsh Government during 2024-2025 are:

- funding of £18.1m from Welsh Government (£14.6m 2023-2024)
- we paid Welsh Government £11.7m, mainly for reimbursement of staff salaries and corresponding deductions they pay on our behalf (£11.170m in 2023-2024)
- At 31st March 2025, we had £1.09m accruals with the Welsh Government (£978k 2023-2024) and debtors of £219k (2023-2024 Nil).

No board member, key manager or other related parties have undertaken any material transactions with Estyn during the year.

16 Events after the reporting period

There have been no events since the Statement of Financial Position date that affect the understanding of these financial statements.

Annex : Glossary of acronyms used in this report

ALN	Additional learning needs
ALNI	Additional Learning Needs Inspectors
ALNET	Additional Learning Needs and Education Tribunal
ARAC	Audit Risk and Assurance Committee
CETV	Cash Equivalent Transfer Value
CIW	Care Inspectorate Wales
CSOPS	Civil Servant and Other Pension Scheme
CYPE	Children, Young People and Education
ELV	Enhanced LALI (local authority link inspector) visit
sIDAO	Welsh Dear Accounting Officer letters
FOIA	Freedom of Information Act
FRem	Financial Reporting Manual
GBS	Government Banking Service
HIW	The Health Inspectorate Wales
HMCI	His Majesty's Chief Inspector of Education and Training in Wales
HMI	His Majesty's Inspector
IFRS	International Financial Reporting Standards
ISAs(UK)	International Standards on Auditing in the United Kingdom
ITE	Initial teacher education
JICPA	Joint inspectorate review of child protection arrangements
LALI	Local authority link inspector
LASC	Local authority specialist classes
LGES	Local government education services
LNF	Literacy and Numeracy Framework
LO	Lead officer
NED	Non-Executive Director
NPQH	National Professional Qualification for Headship
PCS	Public and Commercial Services Union
PCSPS	Principal Civil Service Pension Scheme
PDG	Pupil Development Grant
PI	Performance Indicator
PIAP	Post-inspection action plan
PRU	Pupil referral unit
Rgl	Registered Inspector
RgNI	Registered Nursery Inspector
RI	Reporting inspector
SCS	Senior Civil Service
SICI	Standing International Conference of Inspectorates
SoFFP	Statement of Financial Position
UP	Underlying Principles

VAT

Value Added Tax