Regulatory Policy Committee	Validation of the One-in, Two-out Status and the Net Direct Impact on Business
Validation Impact Assessment	Changes to fees and frequencies
(IA)	inspections of children's social care
	providers
Lead Department/Agency	Department for Education
IA Number	-
Origin	Domestic
Expected date of implementation	April 2014 (SNR No 7.)
(and SNR number)	
Date of Regulatory Triage	12/11/2013
Confirmation	
Date submitted to RPC	20/01/2014
Date of RPC Validation	06/02/2014
RPC reference	RPC13-FT-DfE-1891(3)
Departmental Assessment	
One-in, Two-out status	Out of Scope
Estimate of the Equivalent	N/A
Annual Net Cost to Business	
(EANCB)	

RPC assessment

### **VALIDATED**

# **Background (extracts from IA)**

What is the problem under consideration? Why is government intervention necessary?

Inspections by Ofsted underpin the quality of services supplied by children's social care providers and improve the information that commissioners and service users have about quality. The current fees paid by providers to Ofsted to conduct these inspections do not cover the full costs borne by Ofsted. Intervention is necessary to ensure that children's social care settings pay a fee closer to the actual costs borne by Ofsted, thereby putting in place a fairer and more transparent approach to the cost of inspection.

## What are the policy objectives and the intended effects?

To increase the fees paid by those children's social care settings whose fees do not currently cover Ofsted inspection costs. This will move those organisations closer towards equitably contributing to the cost of their own regulation.

## **RPC** comments

The IA proposes a 10% increase in fees for those children's social care providers whose fees do not currently cover Ofsted's inspection costs.

Following consultation one element of the proposal previously covered in the RTA, relating to fees for providers of holiday schemes for disabled children, has been dropped by the Department.

The IA says "Changes to fees and charges set in regulation which do not result from an expansion or reduction in the scope of regulatory activity are out of scope of the OITO rule. This measure falls under this classification and therefore does not require RPC validation of the EANCB". This appears to be a reasonable assessment and is consistent with current One-in, Two-out Methodology (paragraph 1.9.8 (vii) of the Better Regulation Framework Manual).

Signed		Michael Gibbons, Chairman
	MS Gbh	