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|  Regulatory Policy Committee | Validation of the One-in, Two-out Status and the Net Direct Impact on Business | |
| Validation Impact Assessment (IA) | The Independent Educational Provision in England (Prohibition on Participation in Management) Regulations | |
| Lead Department/Agency | Department for Education | |
| IA Number | DfE0048 | |
| Origin | Domestic | |
| Expected date of implementation | October 2014 (SNR8) | |
| Date of Regulatory Triage Confirmation | 22 October 2012 | |
| Date submitted to RPC | 15 July 2014 | |
| Date of RPC Validation | 5 August 2014 | |
| RPC reference | RPC12-FT-DfE-1595(2) | |
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| Departmental Assessment | | |
| One-in, Two-out status | IN | |
| Estimate of the Equivalent Annual Net Cost to Business (EANCB) | £0.082 million | |
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| RPC assessment | VALIDATED | |
| Summary RPC comments | | |
| <p>The validation IA is fit for purpose. The IA explains that the proposal will affect 2,417 independent schools, who will need to familiarise themselves with the changes. The validation IA monetises this and also estimates the cost of replacing any school managers who might be barred as a result of the proposal. The resultant EANCB of £0.082 million appears to be a reasonable estimate.</p> | | |
| Background (extracts from IA) | | |
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| What is the problem under consideration? Why is government intervention necessary? | | |
| <p><i>“At present the Secretary of State can bar persons from participating in the management of an independent school only on grounds of misconduct (as set out in s. 142 of the Education Act 2002). This is vague and narrow in scope, and is not a secure basis for taking action against individuals whom the Department might wish to see barred from such positions. Two groups in particular are the target of the new powers: those who spread extremist messages, and those who have engaged in financial or legal malpractice but have not been convicted of an offence. Government intervention is necessary to ensure the safeguarding and welfare of children in independent schools by protecting them from contact with unsuitable people.”</i></p> | | |

What are the policy objectives and the intended effects?

“The policy objective is to make regulations under s. 128 of the Education and Skills Act 2008 to bring into operation powers to bar unsuitable individuals from occupying management positions in independent schools. The objective is to strengthen the existing s. 142 powers the Secretary of State already has at his disposal. The effect of a direction would be to bar the individual concerned from taking part in the management of any independent school in England, or to put limits on the way that person could take part in school management. Management positions include acting as proprietor, governor, head teacher or being another employee in a managerial role.”

RPC comments

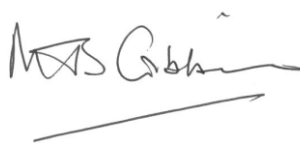
The proposal is to strengthen the Secretary of State for Education’s ability to bar individuals from management roles in independent schools. This will relate to instances where there is a concern over the spreading of extremist messages, or engagement in financial and legal malpractice. By affecting (all 2,417) independent schools in England, the proposal has an impact on business/civil society organisations.

The IA monetises the costs to independent schools of familiarisation with the proposal, and the replacement costs should an individual be barred from a management role. The familiarisation cost is estimated at approximately £600,000, based upon assumptions about the number of staff affected per school and official data on hourly labour (including non-wage) costs. While the Department expects that instances of individuals being barred would be rare, the IA provides estimates of the costs relating to advertising, sifting and interviewing candidates of approximately £30,000 each year. This is based on an assumed three persons being barred each year, at an average cost of £10,000 per person. This consists of £2,000 in staff time costs at the school and £8,000 in advertising costs. The assumptions made appear reasonable.

On this basis, we are able to validate the estimated EANCB.

Finally, we note that the IA says in the 'Risks and Assumptions' section that the Department will be publishing its consultation response in late May/early June". (Publication appears to have taken place in July.) The IA would benefit from providing detail of any objections raised during the consultation and the Department's response.

Signed



Michael Gibbons, Chairman