

## **Ofsted BIT assessments for the reporting period 5 May 2015 – 8 June 2017**

### **Assessment 3): Simplification of the early years compliance handbook in April 2016**

#### **Brief outline of amended regulatory activity**

##### **Simplification of regulatory compliance and enforcement guidance for early years**

Providers who are non-compliant with regulations could be subject to enforcement action. This guidance sets out regulatory compliance requirements. We removed overly detailed information and brought a separate factsheet on 'serious accidents, injuries that need to be notified' into a single compliance handbook. The simplification reduced the size of the document by 62 pages: [www.gov.uk/government/publications/early-years-provider-non-compliance-action-by-ofsted](http://www.gov.uk/government/publications/early-years-provider-non-compliance-action-by-ofsted).

We introduced a shorter single point of reference on regulatory compliance requirements and enforcement activities for all early years providers. This makes it easier to access information about statutory compliance requirements and enforcement action when compliance is breached. This is mainly for registered early years providers who are, or may be, non-compliant and may need access to this information. This also covers limited additional clarifications to the compliance handbook made in October 2016.

#### **Which type of business will be affected? How many are estimated to be affected?**

All providers who are currently deemed non-compliant as at August 2016:

- a) early years childminders
- b) childcare and other early years providers.

The guidance is intended as a point of reference and information for providers who have been identified through Ofsted inspection and/or, following receipt of a concern, through Ofsted's investigatory activity, as being in breach of statutory requirements and who might, as a result of the breach, be subject to enforcement action.

As at August 2016, a total of 1,908 providers were deemed to be non-compliant with regulations. Of these, 1,732 are estimated to be privately funded.

It is not possible to measure how many individual members of staff within these provider settings were involved in reading and assimilating the relevant information in the compliance handbook. This would depend on the nature of each case and the specific information staff would be seeking.

#### **Please set out the impact to business clearly, with a breakdown of costs and benefits**

We reduced the compliance handbook by 62 pages. This included bringing the factsheet 'serious accidents, injuries that need to be notified' into it. Ofsted is fully transparent in its regulatory activity. We publish information about our policy and practice for investigating concerns and about the enforcement action we take for breach of statutory requirements. This is so that providers are clear about what is expected and the consequences of non-compliance. We also ensure that parents are informed about how their children's providers will be held to account for non-compliance. There has been no change in the regulatory obligations and businesses already use the guidance as and when required, so there would be no need for them to re-read the guidance and incur familiarisation costs as a result of the simplification.

The benefits in terms of time saved from this simplification in guidance is set out below. It is assumed that this is an ongoing benefit because each time a provider is has an investigatory visit from Ofsted, they will need to read the guidance.<sup>1</sup>

Reduction in pages within handbook	62
Words per page	350
Total reduction in words	21,700
Words per minute (Flesch Reading Ease Standard rate. Around 200wpm (average reading speed))	200
Reduction in minutes taken	108.5
Reduction in hours	1.81
Hourly rate	£10.95
Cost saving per provider	£19.80
Total number of non-compliant providers*	1,732
<b>Total saving</b>	<b>£34,305</b>

\*Only those providers inspected and deemed non-compliant as at 31 August 2016 have been included in the calculation. This also takes into account the 'public sector carve out' – only including that proportion of providers that are not publicly funded and therefore quality for BIT assessment. See: [www.gov.uk/government/publications/literacy-and-numeracy-of-level-3-early-years-educator-staff](http://www.gov.uk/government/publications/literacy-and-numeracy-of-level-3-early-years-educator-staff), Annex C.

<b>Summary of costs and benefits</b>						
<b>Price base year</b>	<b>Implementation date</b>	<b>Duration of policy (years)</b>	<b>Net Present Value</b>	<b>Business Net Present Value</b>	<b>Net cost to business (EANDCB)</b>	<b>BIT score</b>
<b>2016</b>	<b>01/04/2016</b>	<b>10</b>	<b>0.29</b>	<b>0.29</b>	<b>0.0</b>	<b>0.0</b>