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43. Estimates for volume of staff affected are based on staff working across healthcare, social work, teaching and probationary services.<sup>36</sup> It is assumed that between 100 per cent (high estimate) and 80 per cent of staff (low estimate) with a central estimate of 90 per cent of staff reading the guidance. The narrow range is informed by the mandatory nature of the duty. It is estimated that between 1.7 million and 2.2 million individuals will read the guidance with a central estimate of 2.0 million. Annual median hourly wage data by occupation published by the ONS<sup>37</sup> is uplifted by 22 per cent to account for non-wage costs.<sup>38,39</sup> These estimates are presented in Table 6. Table 6 presents costs for public and private sector combined. Section H of this document separates out costs to businesses.

**Table 6: Professions affected and annual median hourly wage (£)**

<b>Professionals</b>	<b>Volume of staff reading guidance</b>	<b>median wage (£)</b>
Social workers	136,000	20
Director of children's services	137	35
Housing officers	30,200	15
Childminders	30,500	10
Staff in group based/ sessional/full day care provision	223,000	10
Teachers	516,000	25
Teaching Assistant	365,000	15
Police officers and staff	203,000	20
GPs	32,600	25
Nurses, midwives, and health visitors	351,000	20
Paramedics	17,700	25
Staff working Youth Custody Services	1,300	20
Probation service staff	15,300	20
Paediatricians	8,700	35
Care home assistants	25,000	10
Care home managers	8,600	10
<b>Total for 90% of staff reading guidance</b>	<b>2.0 million</b>	

<sup>34</sup> This is a policy assumption on the length of guidance that will be issued around the duty.

<sup>35</sup> Words per minute estimates for paper and screen reading, Readingsoft. Available here: <http://www.readingsoft.com/> This is using words per minute estimates of 200, 400 and 700.

<sup>37</sup> ONS (2022), Employee earnings in the UK: 2022. Available here: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/latest>

<sup>38</sup> An uplift figure of 22 per cent has been used where the majority of staff work in the public sector, for those professions which largely fall in the private sector such as Staff in group based/sessional/full day care provisions an uplift of 17 per cent has been included.

<sup>39</sup> ONS (2020) Index of labour Costs per Hour, seasonally adjusted. Available here: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/indexoflabourcostsperhourilchseasonallyadjusted>

Source: Home Office internal estimates 2023. See annex for data used to estimate profession volumes. Figures may not sum due to rounding.

44. It is estimated that the total familiarisation cost ranges between **£9,400 and £1.3 million** with a central estimate of **£480,000**.

### **Set up costs: Cost of Prison Place**

45. To account for low prison capacity, a one-off set up cost of £250,000 per new prison place required is included as an indicative estimate. These costs only apply in year three of the appraisal period as prison places can be reused in future years.
46. The £250,000 unit cost is multiplied by the additional defendants sentenced to a custodial sentence as presented in Table 2. This is estimated to be between zero and one defendants in Magistrates Court and between two and eight defendants in Crown Court. The average length of sentence served is also accounted for to estimate how many times a prison place can be reused. This is estimated to be just under three months on average for Magistrates courts and just over 35 months on average for Crown Court. A time<sup>40</sup> lag of three years is included to account for the time lag between an offence being committed and sentencing.<sup>41</sup>
47. Prison Set up Costs are estimated to be between **£1.0 million and £5.6 million (PV)**, with a central estimate of **£3.2 million PV** (2024/25 prices).

### **Set-up Costs -Total Costs**

48. Set up costs in total are estimated to be **between £1.0 million and £6.9 million** with a **central estimate of £3.7 million (PV)** (2024/25 prices).

### **Ongoing and Ongoing Total Costs (Private and Public)**

#### **Ongoing Costs: Police Costs**

49. It is estimated that there will be an ongoing cost to the police following an increase in reporting of child sexual abuse. This increase is presented in Table 2 and is between 100 and 540 new reports each year. These estimates are combined with data from CSEW on proportion of child sexual abuse rape offences and those categorised as other sexual abuse. It is estimated that 27 per cent of child sexual abuse offences are categorised as rape and 73 per cent as other sexual offences.<sup>42</sup>
50. The estimated police costs for investigating child sexual abuse rape offences is obtained from the Economic and Social Cost of Contact Child Sexual Abuse.<sup>43</sup> The unit cost for rape is estimated to be £29,800 (2024/25 prices) and the unit cost for other sexual offences is estimated to be £14,300 (2024/25). It should be noted that these estimates only relate to contact abuse and do not include estimates for costs associated with non-contact/indecent image of children offences for which there are no equivalent figures. Given the absence of data in this space the costs for contact abuse are used as proxy for both contact and non-contact sexual abuse and these figures have been applied to all child sexual abuse cases. This may over or underestimate the true police costs.
51. Police costs are estimated to be between **£15.8 million and £84.9 million (PV)** with a central estimate of **£48.7 million (PV)** over a 10-year appraisal period.

#### **Ongoing Court Costs**

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<sup>40</sup> Ministry of Justice (2023), *Criminal Justice System statistics quarterly: December 2023*. Available here: <https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-december-2022>

<sup>41</sup> Based on internal Home Office documents. It is estimated that in Q4 2022 Contact child sexual abuse offences in England and Wales on average (median) took 838 days from offence to completion in the Crown Court, whilst Indecent and Prohibited Images of Children (IIOC) offences took 777 days.

<sup>42</sup> ONS (2019), *Child Sexual Abuse in England and Wales: year ending March 2019*. Available here: <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/childsexualabuseinenglandandwales/yearendinmarch2019> and ONS *Child Sexual abuse in England and Wales. Appendix tables*. Available here: <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/datasets/childsexualabuseappendixtables>

<sup>43</sup> Home Office (2021), *The economic and social cost of contact child abuse*. Available here: <https://www.gov.uk/government/publications/the-economic-and-social-cost-of-contact-child-sexual-abuse/the-economic-and-social-cost-of-contact-child-sexual-abuse>

52. It is estimated that there will be additional costs to the courts following an increase in reporting of child sexual abuse, which are then tried in court. The increase is presented in Table 2. It is estimated that between 7 and 40 offences are proceeded against of which between 4 and 20 offences will be tried in Magistrate Court and between 4 and 20 will be tried in Crown Court.
53. Unit cost for both courts have been provided by the MoJ and inflated to 2024/25 prices. A 20 per cent optimism bias adjustment has been applied to the unit cost to account for the uncertainty in the estimates.<sup>44</sup>
54. Court costs are estimated to be between **£0.2 million and £1.2 million with a central estimate of £0.7 million (PV)** over a 10-year appraisal period.

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<sup>44</sup> Optimism bias has been included in line with guidance provided by MoJ

## Ongoing Legal Aid Costs

55. There will be additional costs to the Legal Aid Agency (LAA) following an increase in reporting of child sexual abuse offences that are then tried in court.
56. It is estimated that 60 per cent of offenders appearing in Magistrates courts will be eligible for legal aid and 100 per cent of offenders in Crown Court.<sup>45</sup> Unit costs for both courts have been provided by the MoJ and inflated to 2024/25 prices.<sup>46</sup>
57. For police stations it is estimated that 60 per cent of offenders are eligible for legal aid. These estimates have been provided by the MoJ. Unit cost for police have been provided by the MoJ and inflated to 2024/25 prices.<sup>47</sup>
58. Legal Aid costs are estimated to be between **£0.4 million and £2.4 million**, with a central estimate of **£1.4 million** (PV) over a 10-year appraisal period.

## Ongoing Prison Costs

59. There will be additional costs to the prison service following an increase in reporting of child sexual abuse cases, which are then tried in court and lead to a custodial sentence.
60. Using MoJ data on offences outlined in paragraph 35 it is estimated that the average custodial sentence served in Magistrates Courts is three months and for Crown Court the average sentence is served is 32 months.
61. The monthly unit cost is calculated using data on annual costs per prison place, estimated to be £31,000 (2020/21).<sup>48</sup> This is inflated to 2024/25 prices, divided by 12 months and a 20 per cent optimism bias is applied in line with MoJ guidance.<sup>49</sup> This results in an estimated annual cost of a £41,000 and a monthly cost per prison place of £3,400 (2024/25).
62. The monthly unit cost is multiplied by the average sentence served and the estimated volume of offenders that have received a custodial sentence.
63. As noted in paragraph 47 a time lag of three years is included to account for the length of time taken between a child sexual abuse crime being committed and a custodial sentence imposed.
64. Ongoing prison costs are estimated to be between £1.0 million and £5.6 million with a central estimate of £3.2 million (PV) over a 10-year appraisal period.

## Total Ongoing Costs

65. Excluding costs associated with indicative scenario testing outlined in paragraphs 67 to 70 total ongoing costs are estimated to be between **£17.5 million and £94.2 million** with a central estimate of **£54.0 million** (PV) over a 10-year appraisal period.

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<sup>45</sup> Ministry of Justice (2022), internal estimates provided by MoJ 2023

<sup>46</sup> HMT (2023), *GDP deflators at market prices, and money GDP June 2023 (Quarterly National Accounts)*. Available here <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-june-2023-quarterly-national-accounts>

<sup>47</sup> HMT (2023), *GDP deflators at market prices, and money GDP June 2023 (Quarterly National Accounts)*. Available here: <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-june-2023-quarterly-national-accounts>

<sup>48</sup> Ministry of Justice (2022), *Cost per place and costs per prisoner by individual prison*. Available here: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1050046/costs-per-place-costs-per-prisoner-2020-2021.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1050046/costs-per-place-costs-per-prisoner-2020-2021.pdf)

<sup>49</sup> HMT (2023), *GDP deflators at market prices, and money GDP June 2023 (Quarterly National Accounts)*. Available here: <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-june-2023-quarterly-national-accounts>



## Scenario Testing – Social Services Cost and Kept Children

### Ongoing Cost to Social Services

66. Two indicative scenarios tests have been conducted to understand the range of impacts that could ensue from an increase in referrals to Social Services and the resulting effect on children in care. The existing evidence base has been used to construct these scenarios, with a risk that these estimates may over or underestimate the proportion of overall referrals that will continue to be taken through the social care system and the effect on local authorities kept children services. For this reason, these estimates are not included in the overall NSPV calculations.
67. It is estimated that there will be an increase in costs to social services following an increase in referrals. The estimated increase in referrals is presented in Table 7 and are estimated to be between 780 and 2300, the associated assumptions are outlined in paragraphs 37 to 38.
68. It is estimated that the total average unit cost for processing a case through social services management processes is £1,800.<sup>50</sup> It is estimated that the total average unit cost for processing a referral which results in no further action is £340. It is estimated that the total average cost where a child is assessed not to be in need is £755. All unit costs are presented in 2024/25 price years.
69. The unit costs are combined with the volume estimates found in Table 7 for volume of cases where no further action is required after initial consideration. Volume of new cases where child is initially assessed and determined not be in need and volume of new cases continuing through the social care system after initial assessment are presented below:

**Table 7: Low, central and high volume estimates for child sexual abuse referrals to Social Services**

	Unit Cost	Volume Estimate		
		Low	Central	High
New estimated increase in child sexual abuse referrals (volume)		780	1,600	2,300
Volume of cases where no further action required after initial consideration <sup>51</sup>	£340	390	370	175
Volume of new cases where child initially assessed and determined not to be in need	£755	390	620	690
Volume of new cases continuing through the social care system after initial assessment	£1,800	0	575	1,500

Source: Home Office internal estimates. Data used to calculate these estimates can be found in the footnotes<sup>52</sup>. Figures may not sum due to rounding.

70. It is estimated that the total increase in managing new referrals may range from **£3.7 million to £26.0 million** with a central estimate of **£13.1 million (PV)** over a 10-year appraisal period.

<sup>50</sup> The estimate is based on research undertaken by the Centre for Child and Family Research at Loughborough University which collected detailed social care activity data from Local Authorities using a sample of 60 Children between 1<sup>st</sup> October 2008 and 31<sup>st</sup> March 2009. The original estimate of (£1,416) has been uplifted for inflation. The estimate can be found here: Impact Assessment - Possible new requirements relating to reporting and acting on child abuse (publishing.service.gov.uk): [https://assets.publishing.service.gov.uk/media/5a817d9940f0b62305b8f3ba/Impact\\_Assessment\\_-\\_Consultation\\_Stage\\_web\\_.pdf](https://assets.publishing.service.gov.uk/media/5a817d9940f0b62305b8f3ba/Impact_Assessment_-_Consultation_Stage_web_.pdf)

<sup>51</sup> Initial consideration (but no assessment)

<sup>52</sup> Department for Education, Characteristics of Children in need (2022) available here: <https://explore-education-statistics.service.gov.uk/find-statistics/characteristics-of-children-in-need>

## Ongoing Cost to Children in Care

71. It is estimated that there will be an increase in costs to children in care<sup>53</sup> resulting from an increase in referrals where a child has been identified as being in need of help/protection as a result of risk to their development/health.
72. Data from 251 expenditure returns from local authorities in 2013-2014 are used to estimate annual spending per looked after child. It is estimated that in 2013-2014 spending on average per looked after child was £53,000.<sup>54</sup> This figure is inflated to 2024/25 price year,<sup>55</sup> resulting in a unit cost of £68,500 per year. The unit cost is multiplied by the estimated increase in volume of looked after children found in Table 5. It is estimated that between 0 and 545 with a central estimate of 105 additional children looked after per year due to an increase in referrals to social services as a result of implementing the duty.
73. It is estimated that the total increase in managing additional looked after children **may range between £0.0 million and £322.8 million** with a central estimate of **£62.6 million (PV)** over a 10 year appraisal period.

## Non-monetised costs

### CPS costs

74. Due to the absence of specific data on unit costs, costs to the CPS have not been estimated it is likely that these will increase given the volumes increase in offenders being prosecuted.

### Victim services costs

75. It has not been possible to estimate the cost to victim services as a result of an increase in demand for victim support services. This is due to an absence of specific data on the number of child sexual abuse victims that access victim support services and the average length of time that this support is required for different types of child sexual abuse. It is likely that there will be an increase in costs as a result of an increase in volume of victims identified.

## Training Costs

76. It is not possible at this time to quantify and monetise any potential training costs. It is currently estimated that there will be limited training costs associated with the introduction of the duty as it is not envisaged that the duty would add extra safeguarding burdens on regulated professions that work with children. Further evidence will be gathered with regards to any additional training requirement for the final IA.

## Social Cost

77. There may be an indirect social and economic cost from an increase in children not reporting abuse for fear of potential consequences for them, for their families and potentially for their abuser. The duty may also deter families from seeking help.<sup>56</sup> If there is an increase this would result in an increase in wider economic and social costs associated with being a victim of child sexual abuse.<sup>57,58</sup> It is not possible at this time to quantify or monetise this effect.

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<sup>53</sup> The terms children in care and looked after children have been used interchangeably in this IA.

<sup>54</sup> HO0197 Consultation Impact Assessment (2015), 'Possible new requirements relating to reporting and acting on Child Abuse' can be found here: [https://assets.publishing.service.gov.uk/media/5a817d9940f0b62305b8f3ba/Impact\\_Assessment\\_-\\_Consultation\\_Stage\\_web.pdf](https://assets.publishing.service.gov.uk/media/5a817d9940f0b62305b8f3ba/Impact_Assessment_-_Consultation_Stage_web.pdf)

<sup>55</sup> HMT (2023), GDP deflators at market prices, and money GDP June 2023 (Quarterly National Accounts). Available here: <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-june-2023-quarterly-national-accounts>

<sup>56</sup> IICSA, The Report of the Independent Inquiry into Child Sexual Abuse. Available here: [https://webarchive.nationalarchives.gov.uk/ukgwa/20221215051709/https://www.iicsa.org.uk/key-documents/31216/view/report-independent-inquiry-into-child-sexual-abuse-october-2022\\_0.pdf](https://webarchive.nationalarchives.gov.uk/ukgwa/20221215051709/https://www.iicsa.org.uk/key-documents/31216/view/report-independent-inquiry-into-child-sexual-abuse-october-2022_0.pdf)

<sup>57</sup> IICSA, The Report of the Independent inquiry into Child Sexual Abuse: Available here: [https://webarchive.nationalarchives.gov.uk/ukgwa/20221215051709/https://www.iicsa.org.uk/key-documents/31216/view/report-independent-inquiry-into-child-sexual-abuse-october-2022\\_0.pdf](https://webarchive.nationalarchives.gov.uk/ukgwa/20221215051709/https://www.iicsa.org.uk/key-documents/31216/view/report-independent-inquiry-into-child-sexual-abuse-october-2022_0.pdf)

<sup>58</sup> Home Office (2021), The economic and social cost of contact child abuse. Available here: <https://www.gov.uk/government/publications/the-economic-and-social-cost-of-contact-child-sexual-abuse/the-economic-and-social-cost-of-contact-child-sexual-abuse>

## Professional costs as a result of Professional bodies introducing sanctions.

78. It is not possible at this time to quantify or monetise the costs associated with the imposition of professional sanctions for individuals who fail to report direct disclosures of abuse. Breaches of the duty will be considered under a range of regulatory frameworks, which will be applied to determine appropriate disciplinary action based on the circumstances of the case. The costs could take the form of regulators developing new guidance and processes for reporting failures to disclose under the duty. It could also involve indirect costs associated with convening special boards and costs associated with Tribunals.

## Introduction of a concealment offence for failure to report child sexual abuse

79. It is not possible at this time to monetise the costs associated with the introduction of a concealment offence. It is anticipated that there will be small number of prosecutions associated with this over the appraisal period. Further work to understand the impact of this will be undertaken for the final IA.

## BENEFITS

80. Implementing the Duty will help safeguard children and deter offenders, and repeat offenders, by making it an offence not to act on direct disclosures. This will bring multiple benefits arising from safeguarding victims - benefiting victims, their families and society. These benefits will be economic and social and have been outlined briefly in paragraphs 85-88.
81. It has not been possible to monetise benefits related to the intervention, because of an absence of existing data or literature which can be used to estimate the expected crime reduction benefits from the duty. Instead, a break-even analysis and non-monetised benefits are presented to indicate how much child sexual abuse would need to reduce by to offset the cost of the intervention.
82. The break-even analysis uses the unit cost estimate from the Economic and Social Cost of Contact Child Sexual Abuse for contact child sexual abuse.<sup>59</sup> There is no equivalent cost estimate available for non-contact child sexual abuse. A large proportion of PRC child sexual abuse offences fall into the contact child sexual abuse category and thus the unit cost is used as a proxy to estimate the harm that child sexual abuse presents to society and the economy overall. The unit cost for contact child sexual abuse is estimated to be £89,200 at 2018/19 price year, when inflated to 2024/25 price year, the unit cost is £107,000.<sup>60</sup> It is uncertain whether this unit cost over or underestimates the true value of the social and economic harm caused by child sexual abuse.
83. To estimate the volume of child sexual abuse cases that would need to be prevented to offset the costs of intervention the unit cost of contact child sexual abuse and total costs identified have been discounted over a 10- year appraisal period. Between April 2022 and March 2023, approximately 102,000 child sexual abuse offences were reported to the police in England and Wales. It is estimated that between 200 and 1,100 child sexual abuse offences, with a central estimate of 625, would need to be prevented over a 10- year period to offset the cost of the intervention. Using the high estimate, that is less than 1 per cent of child sexual abuse crimes committed last year.

## Non-Monetised Benefits

84. It is anticipated that there will be a range of benefits following intervention:
- **Reduction in offending** – An increased awareness of the duty may lead to an increase in reporting to the police from victims and others, and a reduction in perpetration as a result of a better understanding of the legal requirements around reporting. Fear of being reported to authorities may alter behaviour potentially leading to a reduction in offending.
  - **Prevent physical and emotional harm experienced by victims of child sexual abuse** – Victims of child sexual abuse experience considerable physical and emotional harm. Evidence

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<sup>59</sup> Home Office (2021), The economic and social cost of contact child abuse. Available here: <https://www.gov.uk/government/publications/the-economic-and-social-cost-of-contact-child-sexual-abuse/the-economic-and-social-cost-of-contact-child-sexual-abuse>

<sup>60</sup> HMT (2023), GDP deflators at market prices, and money GDP June 2023 (Quarterly National Accounts). Available here: <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-june-2023-quarterly-national-accounts>

shows that victims experiencing child sexual abuse are associated with a wide range of adverse physical and mental health outcomes including physical injuries, emotional distress, anxiety and depression.<sup>61, 62</sup>

- **Increased feelings of reassurance in being believed** – There are multiple reasons why victims of child sexual abuse do not report abuse. Some victims of child sexual abuse do not report abuse due to concerns around being believed or concern that the information would not be acted on. Mandatory reporting will provide assurance that reports will be taken seriously, as those who fail to report will be penalised in the event that the duty is not acted upon.
- **Greater clarity around reporting** – The duty clarifies the reporting process ensuring that all professionals in scope are aware of who to report child sexual abuse offences to. This may help streamline the process of reporting.

### **Wider economic and social benefits**

85. There are a range of wider social and economic benefits associated with preventing child sexual abuse. Some research suggests that victims of child sexual abuse are more likely to have contact with the police, both as offenders and for being a victim of crime, likely a result of externalising behaviour.<sup>63</sup> The CSEW shows that adults who report experiencing child sexual abuse are also more likely to report experiencing sexual assault and rape as adults.<sup>64</sup>
86. There is evidence of child sexual abuse being associated with an overall reduction in educational attainment and increased unemployment alongside lower socioeconomic outcomes, for some victims.<sup>65</sup>
87. Research by IICSA and Home Office Research into the economic and social cost of contact child sexual abuse<sup>66</sup> has shown that the impact of child sexual abuse can be long term and may sometimes result in illness and long terms disabilities.

### **NPSV, BNPV, EANDCB**

#### **Value for money (VfM)**

88. Total costs are estimated to be between **£18.5 million and £101.1 million (PV)** with a central estimate of **£57.7 million (PV)** over a ten-year appraisal period. Total monetised benefits are estimated to be zero due to a lack of data which would enable benefits to be monetised. Breakeven analysis has been conducted as an alternative to NPSV for this reason and supplemented with a narrative discussion of benefits.
89. The NPSV is estimated to be between **-£18.5 million and -£101.1 million (PV)**, with a central estimate of **-£57.7 million (PV)** over a ten-year appraisal period.
90. The direct impact on businesses is estimated to range between **£1,100 and £158,000** with a central estimate of **£56,600**. A breakdown of costs is presented in Table 8 below.

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<sup>61</sup>Fisher, et al (2017). The impacts of child sexual abuse: A rapid evince assessment, London Independent inquiry into Child Sexual Abuse.

<sup>62</sup> The economic and social cost of contact child sexual abuse - GOV.UK, available here: <https://www.gov.uk/government/publications/the-economic-and-social-cost-of-contact-child-sexual-abuse/the-economic-and-social-cost-of-contact-child-sexual-abuse>

<sup>63</sup> Fisher, et al (2017). The impacts of child sexual abuse: A rapid evince assessment, London Independent inquiry into Child Sexual Abuse.

<sup>64</sup> ONS, (2020). Child sexual abuse in England and Wales - Office for National Statistics (ons.gov.uk)<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/articles/childsexualabuseinenglandandwales/yearendingmarch2019>

<sup>65</sup> IICSA, The Report of the Independent inquiry into Child Sexual Abuse: Available here: [https://webarchive.nationalarchives.gov.uk/ukgwa/20221215051709/https://www.iicsa.org.uk/key-documents/31216/view/report-independent-inquiry-into-child-sexual-abuse-october-2022\\_0.pdf](https://webarchive.nationalarchives.gov.uk/ukgwa/20221215051709/https://www.iicsa.org.uk/key-documents/31216/view/report-independent-inquiry-into-child-sexual-abuse-october-2022_0.pdf)

<sup>66</sup> The economic and social cost of contact child sexual abuse - GOV.UK, available here: <https://www.gov.uk/government/publications/the-economic-and-social-cost-of-contact-child-sexual-abuse/the-economic-and-social-cost-of-contact-child-sexual-abuse>

**Table 8: Option 2 -Summary costs, benefit, NPSV and EANDCB £million (PV) 10 years 2024/25**

<b>Summary of costs and Benefits</b>	<b>Low</b>	<b>Central</b>	<b>High</b>
Total set up costs	1.0	3.7	6.9
Private sector setup costs	0.0	0.06	0.16
Ongoing costs	17.5	54.0	94.2
Private sector ongoing costs	-	-	-
Public sector ongoing costs	17.5	54.0	94.2
<b>Total Costs</b>	<b>18.5</b>	<b>57.7</b>	<b>101.1</b>
Private sector benefits	-	-	-
Public sector benefits	-	-	-
<b>Total benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Present Social Value</b>	<b>-18.5</b>	<b>-57.7</b>	<b>-101.1</b>
<b>Business Net Present Value</b>	<b>-0.0</b>	<b>-0.06</b>	<b>-0.16</b>
<b>Equivalent Annual Net Direct Cost to Business</b>	<b>0.0001</b>	<b>0.01</b>	<b>0.02</b>

Source: Home Office internal estimates 2023

### **Option 3 costs and benefits**

#### **Monetised Costs**

##### **Familiarisation Cost**

91. As noted in paragraph 42 there will be familiarisation costs associated with the implementation of the duty. The scale of familiarisation costs compared to option 2 will depend on the number of professions included within option 3 and associated wage costs. If a greater number of professions are included within option 3 with an associated increase in the number of staff, this cost may increase. Conversely, if the scope is significantly narrowed, with fewer professions included (compared to option 2) then this cost may be lower.
92. There is uncertainty around the volume of staff that will be affected by this option. To reflect this, a low, central and high range is estimated. In the low range it is assumed that there will be a 25 per cent reduction in the total volume of staff that the duty applies to in comparison to option 2. For the high range it is assumed that this option will result in 25 per cent more staff affected than in option 2. For the central range it is assumed that the same assumptions apply as in option 2. All other assumptions are the same as in option 2.
93. Familiarisation costs for option 3 are estimated to be **between £7,000 and £1.7 million** with a central estimate of **£479,000**.
94. For option 3 it is assumed that all other monetised costs will remain the same as option 2.

##### **Non monetised costs**

##### **Training Costs**

95. As noted in paragraph 77, it is not possible at this time to quantify and monetise any potential training costs. The scale of training costs compared to option 2 will depend on the number of professions included and the type of professions. It is currently estimated that there will be limited training costs associated with the introduction of option 3 as it is not envisaged that the duty would add extra safeguarding burdens on regulated professions that work with children. Further evidence will be gathered with regards to any additional training requirement for the final IA.

## Benefits

96. It is anticipated that the benefits associated with option 3 will be similar to those noted in paragraphs 81 to 82. However, it is not possible at this time to quantify the scale of the benefits to make a comparison between option 2 and option 3. It is possible that a narrowing of the scope of professions included could result in a reduction in the non-monetised benefits from a reduction in opportunities to prevent offending (alongside the number of child sexual abuse cases prosecuted and prevented) and a narrowing of the scope of awareness raising opportunities. It is also possible that increasing the scope of professions could result in an increase in non-monetised benefits from increased opportunities for safeguarding and to prevent offending. The inclusion of protection for those who report may further encourage greater compliance with the duty and more awareness raising within those organisations being targeted by the duty. However, there is considerable uncertainty around this.

## Value for Money

97. Based on the assumptions noted above it is estimated that Option 3 has a wider range of costs associated with it. These costs reflect the uncertainty in the number of workers that will have to familiarise themselves with new guidance/legislation issued.

98. Total Costs are estimated to range between **£18.5 million** and **£101.4 million** (PV) with a central estimate of **£57.7 million** (PV) over a 10-year appraisal period. Total monetised benefits are estimated to be zero due to a lack of data that would enable benefits to be monetised. As noted in Option 2, a breakeven analysis has been conducted as an alternative to NPSV and supplemented with a narrative discussion of benefits. The results of the breakeven analysis are similar to option 2. This is because the main difference in costs lie in familiarisation costs which represent a small proportion of the total costs.

**Table 9: Option 3 - Summary costs, benefit, NPSV and EANDCB £million (PV) 10 years 2024/25**

<b>Summary of costs and Benefits</b>	<b>Low</b>	<b>Central</b>	<b>High</b>
Total set up costs	1.0	3.7	7.3
Private sector setup costs	0.0	0.06	0.16
Ongoing costs	17.5	54.0	94.2
Private sector ongoing costs	-	-	-
Public sector ongoing costs	17.5	54.0	94.2
Total Costs	18.5	57.7	101.4
Private sector benefits	-	-	-
Public sector benefits	-	-	-
Total benefits	-	-	-
Net Present Social Value	-18.5	-57.7	-101.4
Business Net Present Value	-0.0	-0.06	-0.16
Equivalent Annual Net Direct Cost to Business	0.0001	0.01	0.02

## Impact on small and micro-businesses

99. Across option 2 and option 3, there will be some impact on small and micro-businesses such as nurseries and childcare organisations. This impact will be in the form of familiarisation costs. It is anticipated that these costs will be negligible, one-off, costs for reading guidance/legislation and is in line with existing statutory expectations on organisations with functions relating to children. It is anticipated that exempting some Businesses and Organisations would undermine the duty. In

addition, there is limited evidence on direct reporting of child sexual abuse to staff in different size organisations, however there is a risk that excluding small and medium sized organisations could have an adverse impact on the non-monetised benefits noted in section E, particularly in terms of safeguarding children.

## **Proportionality**

100. The analysis in this IA contains best estimates for the costs and benefits of the proposed policy. Every effort has been made to ensure that the analysis presents the best possible estimate of the likely impact of the options, given the time, resource and data available. These have been quantified where data is available, with risks highlighted in section G. This is a proportionate effort to appraise the policy.

## **F. Risks**

101. There is limited evidence available on the effect of mandatory reporting in the UK, particularly with regards to increase in referrals to social services and the ensuing effect on CJS. The analysis presented here is based on a range of assumptions of varying quality. This uncertainty is reflected in the wide cost range. However, there is a risk that the analysis may under or overestimate costs associated with the introduction of the new offence.
102. There is a high risk that the estimated increase in reporting will under or overestimate the true effect. The analysis assumes that there will be an increase in reporting to the police due to increased publicity and an increase in precautionary reporting. But the increase will not be significant because a statutory duty already exists for adults working with children to report concerns about child sexual abuse. Therefore, it is assumed that increase in reporting to police will range between of 0.1 per cent and 0.5 per cent with a central estimate of 0.3 per cent. There is a high risk around this estimate.
103. It is assumed that there will be an increase in child sexual abuse referrals to social services and the number of children in care due to child sexual abuse. It is assumed that the increase will range from one per cent to three per cent with a central estimate of two per cent. There is no data to base this estimate on. This assumption may over or underestimate the true increase. To mitigate against this risk, these estimates have been included as indicative scenarios and not included in the NPSV calculations.
104. There is risk that the analysis does not cover the full range of professionals that will be impacted by the duty and may underestimate the true impact. A proportionate approach has been taken to capture the volume of individuals that will be impacted by this duty. But there is a risk that a small proportion of those impacted have not.

## **G. Direct costs and benefits to business calculations**

105. For option 2 and option 3, it is estimated that there will be a cost to businesses and voluntary community bodies. It is assumed that the volume of staff working in the private sector remains the same across option 2 and 3. This cost will arise from the opportunity cost of reading guidance issued. This cost is outlined in more detail in paragraph 42. Estimates of the effect of the duty on the businesses and voluntary organisations here are based on currently available evidence of staff estimates. Where estimates were not available these costs have not been quantified. These estimates are presented in Table 10-12.
106. As noted in paragraph 42 familiarisation costs are estimated by multiplying the time it takes to read the legislation, with the estimated number of staff reading the legislation, which is then multiplied by the wage rate.
107. To estimate the wage rate, as noted in paragraph 42, the median hourly wage is used and uplifted to take into account non-wage benefits such as pension payments. It is estimated that on average non-wage costs for the private sector are 17 per cent.

108. As noted in paragraph 42 -45, to reflect uncertainty in the volumes of staff reading the guidance high central and low estimates are provided. These can be found in Table 10. Hourly wage per profession along with the proportion of hourly wage spent on reading the guidance can be found in Table 11. Table 12 provides total familiarisation cost by volume of staff working in the private sector for each profession. These estimates are based on the available data and do not cover all staff working in the private sector that may be affected. Therefore, it is likely that the figures provided underestimate the number of private sector staff affected. Further work will be undertaken to understand the impact on businesses and voluntary organisations for the final IA.
109. It is estimated that between 302,000 and 378,000 people will read the guidance with a central estimate of 340,000 staff.

**Table 10: Low, central and high estimates of the volumes of private sector staff reading the guidance issued.**

<b>Staff working in the private sector</b>	<b>Low (80%)</b>	<b>Central (90%)</b>	<b>High (100%)</b>
Teachers	47,700	53,600	59,600
Teaching Assistants	8,300	9,300	10,400
All group-based provisions/sessional/full day care setting	199,000	223,000	248,000
Total child Social Workers	5,600	6,300	7,000
Total Adult Social Workers	15,100	17,000	18,900
Childminding	27,100	30,500	33,900
<b>Total volume of workers</b>	<b>302,000</b>	<b>340,000</b>	<b>378,000</b>

Source: Home office internal estimates. Data used to calculate these estimates can be found in the annex.

**Table 11: Low, central and high hourly wage and cost of reading guidance (£)**

<b>Staff working in the private sector</b>	<b>Total Hourly wage</b>	<b>Low cost of reading</b>	<b>Central cost of reading</b>	<b>High costs of reading</b>
Teachers	30	0.01	0.30	0.80
Teaching Assistants	15	0.00	0.15	0.40
All group-based provisions/sessional/ full day care setting	10	0.00	0.15	0.30
Total child Social Workers	25	0.01	0.25	0.65
Total Adult Social Workers	25	0.00	0.25	0.65
Childminding	10	0.00	0.15	0.30

Source: Home Office internal estimates. Data used to calculate these estimates can be found in the footnotes.<sup>35 37 39</sup>



**Table 12: Low, central and high total familiarisation cost per profession affected (£)**

<b>Staff working in the private sector</b>	<b>Low (80%)</b>	<b>Central (90%)</b>	<b>High (100%)</b>
Teachers	325	16,600	46,400
Teaching Assistants	30	1,500	4,200
All group-based provisions/sessional/full day care setting	560	28,500	79,500
Total child Social Workers	30	1,600	4,500
Total Adult social Workers	90	4,400	12,300
Childminding	80	3,900	10,900
<b>Total</b>	<b>1,100</b>	<b>56,600</b>	<b>158,000</b>

Source: Home Office internal estimates. Data used to calculate these estimates can be found in the annex and the footnotes <sup>35 37 39</sup>

110. It is estimated that total direct costs to businesses ranges between £1,100 and £158,000 with a central estimate of £56,600.

## H. Wider impacts

111. As noted in paragraphs 81-88 there are a wide range of economic and social benefits associated with preventing child sexual abuse. Evidence shows that child sexual abuse is associated with an increased risk of adverse outcomes in many areas of a person's life, including physical, emotional and socioeconomic. Research by the IICSA has shown that the impact of child sexual abuse can be long term and may sometimes result in illness and disabilities.

## I. Trade Impact

112. There is no expected trade impact as part of this intervention.

## J. Monitoring and evaluation plan

113. Working in partnership with those responsible for keeping children safe, the government will undertake a review of the duty after a specified implementation period. This will evaluate the effectiveness of the new arrangements, including the impact the reporting duty has had on the identification of child sexual abuse and children and young people's outcomes more widely.

### Impact Assessment Checklist

<b>Mandatory specific impact test - Statutory Equalities Duties</b>	<b>Complete</b>
<p><b>Statutory Equalities Duties</b></p> <p><i>Government departments must have due regard to the aims of the Public Sector Equality Duty. This duty sets out three aims: eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; advance equality of opportunity between persons who share a protected characteristic and persons who do not share it, and; foster good relations between persons who share a protected characteristic and persons who do not share it. The Home Office will continue to consider equalities impacts in relation to the development of this policy. An equality statement will be published as part of a final impact assessment which takes into account the responses to this consultation.</i></p> <p><b>The SRO has agreed these summary findings.</b></p>	<b>Yes</b>

## Economic Impact Tests

Does your policy option/proposal consider...?	Yes/No (page)
<p><b>Business Impact Target</b> The Small Business, Enterprise and Employment Act 2015 (<a href="#">s. 21-23</a>) creates a requirement to assess the economic impacts of qualifying regulatory provisions on the activities of business and civil society organisations. [<a href="#">Better Regulation Framework Manual</a>] or [Check with the Home Office Better Regulation Unit]</p>	No
<p><b>Review clauses</b> The Small Business, Enterprise and Employment Act 2015 (<a href="#">s. 28</a>) creates a duty to include a review clause in secondary legislation containing regulations that impact business or civil society organisations. [Check with the Home Office Better Regulation Unit]</p>	No
<p><b>Small and Micro-business Assessment (SaMBA)</b> The SaMBA is a Better Regulation requirement intended to ensure that all new regulatory proposals are designed and implemented so as to mitigate disproportionate burdens. The SaMBA must be applied to all domestic measures that regulate business and civil society organisations, unless they qualify for the fast track. [<a href="#">Better Regulation Framework Manual</a>] or [Check with the Home Office Better Regulation Unit]</p>	Yes (21)
<p><b>Clarity of legislation</b> Introducing new legislation provides an opportunity to improve the clarity of existing legislation. Legislation with multiple amendments should be consolidated, and redundant legislation removed, where it is proportionate to do so.</p>	No
<p><b>Primary Authority</b> Any new Government legislation which is to be enforced by local authorities will need to demonstrate consideration for the inclusion of Primary Authority, and give a rationale for any exclusion, in order to obtain Cabinet Committee clearance. [<a href="#">Primary Authority: A Guide for Officials</a>]</p>	No
<p><b>New Burdens Doctrine</b> The new burdens doctrine is part of a suite of measures to ensure Council Tax payers do not face excessive increases. It requires all Whitehall departments to justify why new duties, powers, targets and other bureaucratic burdens should be placed on local authorities, as well as how much these policies and initiatives will cost and where the money will come from to pay for them. [<a href="#">New burdens doctrine: guidance for government departments</a>]</p>	In progress

A New Burdens Assessment will be developed and signed off by Department for Levelling Up, Housing and Communities prior to the final IA being completed. Home Office analysts and policy will engage with relevant colleagues following the consultation to ensure relevant impacts have been fully assessed.

<p><b>Competition</b> The Competition guidance provides an overview of when and how policymakers can consider the competition implications of their proposals, including understanding whether a detailed competition assessment is necessary. [<a href="#">Government In Markets Guidance</a>]</p>	No
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## Social Impact Tests

<p><b>New Criminal Offence Proposals</b> Proposed new criminal offences will need to be agreed with the Ministry of Justice (MOJ) at an early stage. The Justice Impact Test (see below) should be completed for all such</p>	In progress
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proposals and agreement reached with MOJ before writing to Home Affairs Committee (HAC) for clearance. Please allow 3-4 weeks for your proposals to be considered.	
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<p><b>Justice Impact Test</b></p> <p>The justice impact test is a mandatory specific impact test, as part of the impact assessment process that considers the impact of government policy and legislative proposals on the justice system. [<a href="#">Justice Impact Test Guidance</a>]</p>	In progress
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A Justice Impact Test will be developed and signed off by the Ministry of Justice prior to the final IA being completed. Home Office analysts and policy will engage with relevant colleagues following the consultation to ensure relevant impacts have been fully assessed.

<p><b>Privacy Impacts</b></p> <p>A Privacy Impact Assessment supports an assessment of the privacy risks to individuals in the collection, use and disclosure of information. [<a href="#">Privacy Impact Assessment Guidance</a>] or [Contact the Corporate Security Information Assurance Team Helpline on 020 7035 4969]</p>	No
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<p><b>Family Test</b></p> <p>The objective of the test is to introduce a family perspective to the policy making process. It will ensure that policy makers recognise and make explicit the potential impacts on family relationships in the process of developing and agreeing new policy. [<a href="#">Family Test Guidance</a>]</p>	No
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<p><b>Powers of Entry</b></p> <p>A Home Office-led gateway has been set up to consider proposals for new powers of entry, to prevent the creation of needless powers, reduce unnecessary intrusion into people’s homes and to minimise disruption to businesses. [<a href="#">Powers of Entry Guidance</a>]</p>	No
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<p><b>Health Impact Assessment of Government Policy</b></p> <p>The Health Impact Assessment is a means of developing better, evidenced-based policy by careful consideration of the impact on the health of the population. [<a href="#">Health Impact Assessment Guidance</a>]</p>	No
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**Environmental Impact Tests**

<p><b>Environmental Impacts</b></p> <p>The purpose of the environmental impact guidance is to provide guidance and supporting material to enable departments to understand and quantify, where possible in monetary terms, the wider environmental consequences of their proposals. [<a href="#">Environmental Impact Assessment Guidance</a>]</p>	No
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<p><b>Sustainable Development Impacts</b></p> <p>Guidance for policy officials to enable government departments to identify key sustainable development impacts of their policy options. <i>This test includes the Environmental Impact test cited above.</i> [<a href="#">Sustainable Development Impact Test</a>]</p>	No
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<p><b>Rural Proofing</b></p> <p>Guidance for policy officials to ensure that the needs of rural people, communities and businesses are properly considered. [<a href="#">Rural Proofing Guidance</a>]</p>	No
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housing officers in England, population estimates from the ONS<sup>77</sup> have been used to estimate this proportion.

7. The number of adult social workers has been obtained from data published by NHS Digital<sup>78</sup> and total headcount data was used. It is assumed that there is no increase in volume of Social Workers due to uncertainty from Covid-19, this is why 2020 data is used for this profession [check]
8. Department of Education<sup>79</sup> provides data on the number of child and family social workers including agency workers who are employed by local authorities. Headcount data has been used to estimate these profession volumes.
9. Data on the total police force published by the Home Office<sup>80</sup>, including volumes for the special constabulary and police support volunteers, has been used to estimate the volume of professionals falling under the duty. To estimate the proportion of total police workforce in England, UK population data<sup>77</sup>, specifically population proportions have been used.
10. Data on HM Prison and Probation Services Workforce jointly published by the Ministry of Justice and HM Prison and Probation Service has been used to estimate volumes of probation officers in England and Wales and volumes of staff working in the day-to-day management of Youth Custody services.<sup>81</sup> UK population proportions have been applied to obtain the volumes for England only.<sup>77,82</sup>
11. Population estimates published by the ONS have been used to estimate the proportion of professionals in England where the data is provided nationally.<sup>77</sup>

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<sup>77</sup> ONS (2022). *Population estimates for the UK, England, Wales, Scotland and Northern Ireland: mid-2021*. Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/latest>

<sup>78</sup> NHS Digital (2021). *Personal Social Services: Staff of Social Services Departments, England 2020*. Available at: <https://digital.nhs.uk/data-and-information/publications/statistical/personal-social-services-staff-of-social-services-departments/england-2020>

<sup>79</sup> Department for Education (2023). *Children's social work workforce*. Available at: <https://explore-education-statistics.service.gov.uk/find-statistics/children-s-social-work-workforce>

<sup>80</sup> Home Office (2022). *Police workforce, England and Wales: 31 March 2021 second edition*. Available at: <https://www.gov.uk/government/statistics/police-workforce-england-and-wales-31-march-2021/police-workforce-england-and-wales-31-march-2021>

<sup>81</sup> HM Prison and Probation Service and Ministry of Justice (2023). *HM Prison and Probation Service workforce quarterly: March 2023*. Available at: <https://www.gov.uk/government/statistics/hm-prison-and-probation-service-workforce-quarterly-march-2023>

<sup>82</sup> The Youth Custody Service (YCS), created in April 2017 to oversee day-to-day management of the under 18s young people's estate, is a new specialist service.

