

## **Explanatory Memorandum to The Regulated Services (Service Providers and Responsible Individuals) (Wales) (Amendment) and (Coronavirus) (Revocation) Regulations 2022**

This Explanatory Memorandum has been prepared by the Health and Social Services Department and is laid before Senedd Cymru in conjunction with the above subordinate legislation and in accordance with Standing Order 27.1.

### **Deputy Minister's Declaration**

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of the Regulated Services (Service Providers and Responsible Individuals) (Wales) (Amendment) and (Coronavirus) (Revocation) Regulations 2022. I am content the benefits justify the likely costs.

Julie Morgan  
**Deputy Minister for Social Services**  
**27 September 2022**

## **PART 1**

### **1. Description**

- 1.1. This Explanatory Memorandum relates to *The Regulated Services (Service Providers and Responsible Individuals) (Wales) (Amendment) and (Coronavirus) (Revocation) Regulations 2022* (“the *Coronavirus Revocation Regulations*”)
- 1.2. The purpose of the Coronavirus Revocation Regulations is, firstly, to revoke the temporary coronavirus-related amendments made to requirements on providers of care home services, wholly or mainly for adults, and on domiciliary support services for adults, through the *Regulated Services (Service Providers and Responsible Individuals) (Wales) (Amendment) (Coronavirus) Regulations 2020*<sup>1</sup> (“the *2020 Regulations*”). These amendments aimed to support the provision of emergency social care for adults, where this was required as a result of the spread of coronavirus, and to simplify pre-employment checks required for new residential and domiciliary care workers, in situations where this information was hard to access.
- 1.3. Secondly, the Coronavirus Revocation Regulations also clarify the description of ‘Category C’ premises within regulation 49 of *the Regulated Services (Service Providers and Responsible Individuals) (Wales) Regulations 2017*<sup>2</sup> (“the *Regulated Services Regulations*”). This is intended ensure that additional requirements in respect of new premises apply whether the premises were included within a previous provider’s registration under the Regulation and Inspection of Social Care (Wales) Act 2016<sup>3</sup> (“the *2016 Act*”) or whether they constituted relevant premises or establishments in respect of which a person had been registered under any relevant Act which previously provided such regulatory control and oversight.

### **2. Matters of special interest to the Legislation, Justice and Constitution Committee**

- 2.1. None.

### **3. Legislative background**

- 3.1. The powers enabling the Coronavirus Revocation Regulations to be made are contained in sections 2(3), 27(1) and 187 (1)(b) of the 2016 Act. Further details are set out below:

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<sup>1</sup> <https://www.legislation.gov.uk/wsi/2020/570/made>

<sup>2</sup> <https://www.legislation.gov.uk/wsi/2017/1264/contents/made>

<sup>3</sup> <https://www.legislation.gov.uk/anaw/2016/2/contents/enacted>

- 3.2. Section 2(3) enables the Welsh Ministers to prescribe, in regulations, things which are not to be treated as a regulated service for the purposes of the 2016 Act.
- 3.3. Section 27 (1) enables the Welsh Ministers to impose, in regulations, requirements on a service provider in relation to a regulated service they provide. The Regulated Services Regulations set out the requirements on providers in further detail. Section 187(1)(b) allows the Welsh Ministers to make regulations under the 2016 Act, which make different provision for different purposes, for different cases and for different areas.
- 3.4. These Regulations are subject to the affirmative procedure. If approved by the Senedd they will then be made by the Deputy Minister for Social Services and come into force on 1 November 2022.

#### **4. Purpose and intended effect of the legislation**

- 4.1. The Coronavirus Revocation Regulations revoke the changes made to the Regulated Services Regulations, via the 2020 Regulations, using powers within the 2016 Act, as follows:

##### **Section 2(3) - Exceptions**

- 4.2. The purpose of amending Part 2 of the Regulated Services Regulations, under section 2(3) of the 2016 Act, via the 2020 Regulations, was to provide that certain types of service were not to be treated as “regulated services” for the purpose of responding to the Covid-19 pandemic. As such, in specified circumstances, these services would not be required to register with and be regulated by Care Inspectorate Wales as a care home or domiciliary support service.
- 4.3. This enabled new care and support services of the types specified in the 2020 Regulations to be established quickly, if needed as a result of the spread of coronavirus, to respond to anticipated pressures on hospitals, care homes (wholly or mainly for adults) and domiciliary support services for adults.
- 4.4. The Coronavirus Revocation Regulations remove the exception from the scope of care home services (regulation 4) and the exception from the scope of domiciliary services (regulation 5), restoring the original text of the Regulated Services Regulations.

##### **Section 27 (1) – Requirements on service providers**

###### *Fitness of staff*

- 4.5. The purpose of amending regulation 35 of the Regulated Services Regulations, via the 2020 Regulations, was to relax specified requirements on service providers to undertake certain pre-employment checks on workers in care home services provided wholly or mainly to adults, or domiciliary support services provided for adults. These amendments aimed to support measures being taken to address the anticipated need for additional workers or to permit the filling of vacancies during the Covid-19 outbreak.
- 4.6. Regulation 6 of the Coronavirus Revocation Regulations restores the original requirements for pre-employment checks within the Regulated Services Regulations.

#### *Shared rooms*

- 4.7. The purpose of amending regulation 45 of the Regulated Services Regulations, via the 2020 Regulations, was to relax conditions which limit the number of adults which may be accommodated in shared rooms in care homes for adults. It enabled providers of care home services to vary their registration to exceed 15% of the total number of adults accommodated by the service in shared rooms, where accommodation needed to be provided because of the spread of coronavirus.
- 4.8. Regulation 7 of the Coronavirus Revocation Regulations restores the original requirements within the Regulated Services Regulations.

#### **'Category C' premises**

- 4.9. The purpose of amending regulation 49 of the Regulated Services Regulations is to clarify the description of 'Category C' premises. Part 12 of the Regulated Services Regulations places general requirements about the physical standards of rooms and facilities for all accommodation-based services, such as ensuring they are accessible, are of an adequate size and are properly maintained.
- 4.10. Part 13 of the Regulated Services Regulations sets out additional requirements about the physical standards of rooms and facilities for new accommodation-based services, (such as the requirement to have en-suite bathrooms) for three categories of "new premises". These categories are set out at 4.11 to 4.13 below.
- 4.11. Category A: The premises used for the provision of the service consist of a new building or an existing building which has been converted for the purpose of providing the service, and, in either case, the building has not previously been used for the purpose of providing an accommodation-based service. Category A applies to new builds and/or converted premises

- 4.12. Category B: The premises consist of [a building or buildings to which an extension is added and the extension] is used for the purpose of providing the service at a place specified as a condition to the service provider's registration. Category B applies to an extension to existing premises at which an accommodation-based service is provided.
- 4.13. Category C: The premises consist of a building which was unoccupied immediately prior to the service provider's registration but was previously used for the purpose of providing an accommodation-based service at a place specified as a condition to the registration of another service provider. 'Category C' applies to unoccupied premises previously used for the provision of an accommodation-based service (by another service provider) which have been purchased/acquired for operation by the service provider.
- 4.14. The purpose of Part 13 of the Regulated Services Regulations was to achieve improvement in the built estate over time but without destabilising the market. The additional requirements for new premises do not therefore apply to existing occupied services or in situations where service providers have temporarily vacated premises for the purpose of refurbishment. (Part 13 requirements do not apply if the service involves the provision of accommodation to four or fewer people).
- 4.15. 'Category C' was intended to capture unoccupied premises which were not being used to provide a regulated service immediately prior to a service provider's registration of the service under the 2016 Act but had previously been used for that purpose at some point in the past, by another provider. The intention was that this should apply whether the premises were included in a previous provider's registration under the 2016 Act or were registered under any relevant Act which previously provided such regulatory control and oversight.
- 4.16. However, the wording of regulation 49(2) in describing 'Category C' has the unintended effect of excluding unoccupied premises if their earlier period of use pre-dated the commencement of relevant Parts of the 2016 Act in April 2018. The result is that dormant care homes and other relevant premises, registered under the Care Standards Act 2000 (or earlier legislation which that Act replaced) and not included in the registration of a service provider under the 2016 Act, are not subject to the additional premises requirements in Part 13 of the Regulated Services Regulations. This is a wholly unintended consequence of the existing wording which undermines the policy intention of achieving improvement in the quality of the built estate over time.
- 4.17. Amending the description of 'Category C' premises through the Coronavirus Revocation Regulations will ensure clarity and certainty in regulation 49 of the Regulated Services Regulations, so the position is put beyond doubt: that 'Category C' premises are intended

to include relevant premises and establishments in respect of which a person had been registered under any relevant Act, thereby securing the original policy intention of achieving improvement in the quality of the built estate over time, without destabilising the market.

## 5. Consultation

- 5.1. Between 20 May and 18 July 2022, the Welsh Government held a public consultation<sup>4</sup> on proposals to revoke the 2020 Regulations and to clarify the description of 'Category C' premises within regulation 49 of the Regulated Services Regulations
- 5.2. There were 35 responses received in total. Most respondents (21) preferred to remain anonymous while others indicated that they were responding on behalf of organisations such as the Welsh Local Government Association and Association of Directors of Social Services Cymru, Care Forum Wales, Unison, Gwent Regional Partnership Team and Flintshire County Council. There were some responses from service providers – either care home services or domiciliary support services – as well as a small number from individuals.
- 5.3. An analysis of the responses showed clear support for revoking the changes made through the 2020 Regulations. Welsh Government has given assurances that the public health situation will be kept under review and prompt consideration, in consultation with stakeholders, will be given as to whether any further legislative response may be required in future.
- 5.4. 12 respondents commented on the 'Category C' proposal, which garnered a mixture of responses. Five respondents expressed clear support for the clarification and the importance of investing in the quality of care home premises, whilst some expressed general concerns about the costs involved and potential impact on their businesses.
- 5.5. Section 27(4) of the 2016 Act provides that “Before making regulations under this section the Welsh Ministers must – (a) consult any persons they think appropriate, and (b) publish a statement about the consultation.” To discharge this requirement, a summary of the responses to the consultation, together with the Welsh Government’s analysis and conclusions, is published at: <https://gov.wales/changes-requirements-providers-certain-regulated-social-care-services>
- 5.6. In addition, section 27(5) of the 2016 Act provides that “the Welsh Ministers must lay a copy of a statement published under subsection

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<sup>4</sup> <https://gov.wales/changes-requirements-providers-certain-regulated-social-care-services>

(4)(b) before the National Assembly for Wales”. Therefore, a copy of the summary of responses can be found at:

<https://senedd.wales/search/?SiteHomePagelId=0&Culture=en>

## PART 2 – REGULATORY IMPACT ASSESSMENT

1. A Regulatory Impact Assessment has not been carried out in relation to regulations 2 to 7 and regulation 10 of the Regulated Services (Service Providers and Responsible Individuals) (Wales) (Amendment) and (Coronavirus) (Revocation) Regulations 2022 (“the Coronavirus Revocation Regulations”), as these only serve to revoke the temporary coronavirus-related amendments made through the Regulated Services (Service Providers and Responsible Individuals) (Wales) (Amendment) (Coronavirus) Regulations 2020 (“the 2020 Regulations”). Amendments made through the 2020 Regulations are only applicable to certain services in prescribed circumstances, where needed as a result of the spread of coronavirus – all other requirements within the Regulated Services (Service Providers and Responsible Individuals) Wales Regulations 2017 (“the Regulated Services Regulations”) remain in place. Therefore, revocation of the 2020 Regulations through the Coronavirus Revocation Regulations, in restoring the status quo, is not anticipated to have any general impacts or new cost implications.
2. A Regulatory Impact Assessment (RIA) was carried out in 2017 for the Regulated Services Regulations, when the ‘Category C’ requirement was first introduced. The full RIA can be accessed [here](#). The assessment carried out in 2017 was informed by extensive engagement with the sector, including specialist businesses selling care homes in Wales, along with comparison with related UK and Scottish Government policies.
3. As the Coronavirus Revocation Regulations amend the definition of Category C premises to fulfil the original policy intention, a further RIA has been carried out here to consider the costs, benefits, and risks of doing so within the current climate. This includes consideration of how the social care sector may have changed during the last five years, particularly as the sector recovers from the pandemic, as well as other relevant plans and initiatives introduced by the Welsh Government since 2017.
4. Whilst the amendment to the description of Category C premises, made within regulation 8 of the Coronavirus Revocation Regulations relates to all accommodation-based services (care homes, secure accommodation for children and residential family centres), we have used the term “care home” throughout this document, for simplicity.
5. Two options have been considered in the analysis of the costs, benefits, and risks in relation to the issue of Category C premises within regulation 49 of the Regulated Services Regulations.

### The options are:

- **Option one:** Do nothing – do not make new amending regulations to clarify the definition of Category C premises.



- **Option two:** Make new amending regulations to clarify the definition of Category C premises in regulation 49 of the Regulated Services Regulations.

### **Option one: Do nothing**

#### Costs

6. We do not consider there to be any additional costs in relation to this option.

#### Risks

7. By not amending the definition of Category C premises, providers will be able to circumvent the policy intention of the existing regulation. One such case has already arisen. This would result in providers being able to register unoccupied, previously registered care homes, without having to make the necessary improvements to the premises, such as installing en-suite bathrooms in each bedroom, having a passenger lift (in certain circumstances) and ensuring there is accessible outdoor space.
8. People moving into these homes would not, therefore, experience the standards the Welsh Government and Senedd expects of modern care homes, and it would lead to slower improvements in the built estate over time.

#### Benefits

9. Allowing providers to register unoccupied premises, that were previously used as care homes by a different provider under existing or previous legislation, without having to make potentially costly investments to the premises to ensure that they comply with the requirements of Part 13 of the Regulated Services Regulations, could bring more care home services into operation and increase the number of available beds for people who need care and support. This may help create additional capacity in the social care sector as demand for care homes with nursing continues to increase.
10. It is well understood that demand for accommodation with nursing will continue to rise. According to The Housing Learning and Improvement Network's report for the Welsh Government in January 2020, [Assessment of the demand for specialist housing and accommodation for older people in Wales](#), there is predicted to be a shortfall of residential care beds and nursing beds in Wales, as follows:

#### By 2025

- Shortfall of 249 residential care beds
- Shortfall of 3562 nursing beds

#### By 2030

- Shortfall of 279 residential care beds
- Shortfall of 5296 nursing beds

11. This is not new, and there are well established plans and funding in place to encourage the development of new models of health and social care and to improve care for people at home to delay the need for accommodation-based services. This is set out in [A healthier Wales: long term plan for health and social care](#).
12. The COVID-19 pandemic also increased the focus on care home capacity, as it became more important than ever for hospital patients, who were ready for discharge but needed ongoing care and support, to move to care settings quickly to vacate beds in hospitals.
13. The Welsh Government enabled local authorities and local health boards to establish additional emergency capacity as part of the response to the pandemic via the 2020 Regulations by providing that certain services were not to be treated as regulated services for the purpose of responding to the Covid-19 pandemic. This emergency capacity – only that needed as a result of the spread of coronavirus – is no longer required which is why the 2020 Regulations are being revoked.
14. Considering that the demand for care services has been – and is being – addressed in other ways, it would not be appropriate to allow providers to circumvent the requirements within Part 13 of the Regulated Services Regulations as a means of creating additional capacity in the sector.
15. Indeed, any additional capacity that may be generated via this route is likely to be very small. In terms of providing a snapshot of the care home market, on a single day in August 2022, 20 care homes were listed as being for sale in Wales by Christie and Co, one of the major businesses selling care homes.
16. Six of the 20 properties were advertised as already having en-suite facilities in all or some of the bedrooms. Nine were listed as being under management, indicating the homes were still occupied and would therefore not fall within categories A or C. Nine properties appeared not to have en-suite facilities and were not under management, indicating they would be captured by the Category C description and therefore would need to comply with the additional requirements set out in Part 13 of the Regulated Services Regulations, were the amendment made through the Coronavirus Revocation Regulations.
17. Enabling providers to register these homes without requiring them to update the premises according to the requirements within Part 13 of the Regulated Services Regulations would remove one of the barriers to entering the sector. However, as indicated above, the number of care homes this would capture (around nine) is very small and is unlikely to make a substantial difference to the overall capacity in the sector.
18. It is also worth stating that the demand for care homes with nursing is also more complex than a lack of beds. People's needs must be carefully assessed, and services need to be able to meet those needs. In the long

term, we would not support a small increase in capacity at the expense of care home standards.

## **Option two: Make new amending Regulations**

### Costs

19. Potential additional costs have been identified for service providers who intend to buy and re-register a previously registered care home that is not occupied at the point of sale, or providers who intend to sell an existing, vacant care home to a new provider ('Category C' premises).
20. Whilst all care home services must meet core requirements relating to the physical environment of their home (set out in Part 12 of the Regulated Services Regulations), premises that fall into Category A, B or C must also meet additional requirements (set out in Part 13). These additional requirements are set out, as follows:

### *Room sizes*

21. All bedrooms used for the provision of the service must have a minimum of 12 square metres of useable floor space. If the person in the room uses a wheelchair on a permanent and constant basis because of the nature of their disability, the room must have a minimum of 13.5 square metres of useable floor space. If the bedroom is shared, there must be a minimum of 16 square metres of useable floor space (these standards are the same as those set out in the National Minimum Standards under the previous legislation, The Care Standards Act 2000)

### *En-suites*

22. All bedrooms used for the provision of the service must have an en-suite bathroom which includes an accessible wash hand basin, lavatory and shower.

### *Communal space*

23. The amount of sitting, recreational and dining space which is used for the provision of the service must be at least 4.1 square metres for each individual and 5.1 square metres for wheelchair users (these standards are the same as those set out in the National Minimum Standards under the previous legislation, The Care Standards Act 2000)

### *Outdoor space*

24. The external grounds which are used for the provision of the service must be accessible to individuals in wheelchairs or with other mobility problems, have sufficient and suitable seating, and be designed to meet the needs of all individuals including those with physical, sensory and cognitive impairments.

### Passenger lifts

25. Where the accommodation used for the provision of the service is on more than one floor, and this is consistent with the statement of purpose for the service, there must be a passenger lift.
26. In terms of estimating the cost to providers in respect of Category C premises, it is important to assess the current care home stock in Wales to indicate the types of premises that would potentially come onto the market as vacant premises in the future. Much of the current care home stock in Wales is made up of buildings over 50 years of age which are not likely to meet the requirements for premises under this option.
27. In January 2017, Care Inspectorate Wales (formerly CSSIW) received information from providers' self-assessment of services statements (SASS) about a range of issues, including the age of care home buildings and the number of bedrooms with en-suites. The information is set out in the below tables:

#### Approximate age of main buildings

Service type		Adult Care Homes – Older	Children's Homes
Total care home services		1082	159
Total responses		1,014	141
Approximate age	< 10 years	64 (6.3%)	8 (5.7%)
	Between 10 and 20 years	91 (9.0%)	11 (7.8%)
	Between 21 and 30 years	163 (16.1%)	12 (8.5%)
	Between 31 and 50 years	175 (17.3%)	19 (13.5%)
	>50 years	475 (46.8%)	72 (51.1%)
	Don't know	45 (4.4%)	18 (12.8%)

#### Bedrooms with en-suite facilities

Service type	Adult Care Homes – Older	Children's Homes
Total bedrooms	22,563	511
Total bedrooms with en-suite facilities	12,755 (56.5%)	167 (32.7%)
Total bedrooms without en-suite facilities	9,808 (43.5%)	344 (67.3%)
Intended to be used as shared rooms	839 (3.7%)	14 (2.7%)
Intended to be used as single rooms	21,724 (96.3)	497 (2.2%)

28. The data shows that, of those who responded, almost half of care home premises are over 50 years old and just over half of care homes for older people have bedrooms with en-suite facilities (it is around a third for care homes for children). This indicates a large proportion of the current stock, if it were sold to a new provider as unoccupied, would require investment to bring it up to the requirements.

29. Also relevant in terms of estimating the costs to providers of meeting the requirements under Category C, is the care home market in Wales more generally.
30. According to the Public Policy Institute for Wales report, *The Care Home Market in Wales: [Mapping the Sector](#)*, “*Of the care homes advertised for sale in Wales in June 2015, none were described as being of the highest quality. Instead there was emphasis on either high occupancy levels or potential for development as selling points.*” This indicates the premises potentially being sold are not likely to meet the requirements under this option in terms of en-suite facilities with an accessible shower.
31. As stated above, on a single day in August 2022, six of the 20 properties advertised for sale by Christie and Co, were listed as already having en-suite facilities in all or some of the bedrooms. Nine were listed as being under management, and therefore still occupied. Nine properties appeared not to have en-suite facilities and were also not under management, indicating they are likely to fall within Category C.
32. Because of the many different types and sizes of care homes in Wales it would not be possible to give a meaningful estimate of how much it would cost for a provider to update their facilities in line with the requirements under Part 13 of the Regulated Services Regulations. The amount will vary depending on whether providers have existing basic en-suite facilities which just require a shower to be installed, for example, or whether the inclusion of an en-suite would involve a more significant change to the layout of the home, which could have an impact on the total number of bedrooms. This kind of investment is likely to be substantial, and any reduction in the number of bedrooms may negatively affect a provider’s income. Should a building also require a passenger lift to be installed the investment required would be significant.
33. It is worth noting, however, that providers who do make this level of investment will add value to their homes in the long run and may be able to charge more per room.

### Risks

34. Reports suggest it is challenging for providers to obtain loans to undertake the investment needed to improve properties. As stated in the *Mapping the Sector* report, “*particularly for small prospective owner–managers with limited resources, financing is difficult to come by as deposits need to be high (30- 40% for new entrants), the cost of new builds has increased significantly, and the return from fees is regarded as low.*” The cost of investment more generally may discourage providers from buying vacant, previously owned care homes.
35. This could result in closed care homes which fall under Category C being sold for other purposes – either for residential use or for other businesses - thus reducing the overall care home bed capacity in Wales.

36. There is anecdotal evidence, reported to Care Inspectorate Wales, from some care home providers that en-suite bathrooms are not suitable for some residents with dementia, who may get confused between the bedroom and bathroom door and may be at risk of flooding the room if they were left unattended or if the bathroom door was not locked.

### Benefits

37. Amending the Regulated Services Regulations will ensure clarity and certainty in the Part 13 requirements, so the position is put beyond doubt: that 'Category C' premises are intended to include relevant premises and establishments in respect of which a person had been registered under any relevant Act which previously provided for regulatory control and oversight of accommodation-based services. This will secure the original policy intention of achieving improvement in the quality of the built estate over time, without destabilising the market.
38. People living in 'Category C' premises will benefit from having en-suite facilities in their room (which include an accessible wash hand basin, lavatory and shower), accessible outdoor space, passenger lifts when needed and room sizes and communal spaces which meet minimum criteria. These facilities may not be present in care homes which were occupied at the time of their re-registration under the 2016 Act. We consider that people having access to their own en-suite bathroom is important to support people to maintain their privacy and dignity. Having accessible outdoor space is also important to enhance people's enjoyment of their home and support their well-being.
39. Having en-suite facilities for every room may also support care homes in their infection, prevention and control procedures, which is particularly important in the context of the pandemic. As stated in Public Health Wales', 'Guidance to Prevent and Manage COVID-19 within Residential and Care Settings alongside other Respiratory Viruses during Autumn / Winter 2021-22':

*Any resident or tenant presenting with symptoms of respiratory disease – flu like illness or COVID-19 symptoms, should be promptly isolated in a single room with a separate bathroom where possible.*

40. Ensuring residents have access to their own bathroom during an outbreak of an infectious disease may help curb the spread of the virus and may save staff time in terms of having to clean communal bathrooms in between each use.

### **Conclusion**

41. Having appraised the costs, benefits and risks of each option, option two is the preferred option. Whilst we acknowledge the investment required to meet the higher standards required of Category C premises may be a

barrier for some prospective care home providers, we do not regard the requirements under Part 13 of the Regulated Services Regulations to be a luxury, but a basic requirement for modern care homes.

42. We consider it important to clarify the definition of Part 13 of the Regulated Services Regulations to reflect the original policy intention of ensuring that improvements in the quality of the built estate continue to be made, without destabilising the market.

## Competition Assessment

The competition filter test	
Question	Answer yes or no
<b>Q1:</b> In the market(s) affected by the new regulation, does any firm have more than 10% market share?	No
<b>Q2:</b> In the market(s) affected by the new regulation, does any firm have more than 20% market share?	No
<b>Q3:</b> In the market(s) affected by the new regulation, do the largest three firms together have at least 50% market share?	No
<b>Q4:</b> Would the costs of the regulation affect some firms substantially more than others?	No
<b>Q5:</b> Is the regulation likely to affect the market structure, changing the number or size of firms?	No
<b>Q6:</b> Would the regulation lead to higher set-up costs for new or potential suppliers that existing suppliers do not have to meet?	Yes
<b>Q7:</b> Would the regulation lead to higher ongoing costs for new or potential suppliers that existing suppliers do not have to meet?	No
<b>Q8:</b> Is the sector categorised by rapid technological change?	No
<b>Q9:</b> Would the regulation restrict the ability of suppliers to choose the price, quality, range or location of their products?	No

The filter test shows that it is not likely that the regulation will have any detrimental effect on competition; therefore a detailed assessment has not been conducted.

We do not consider it necessary to undertake a competition assessment for these Regulations since they will not affect the business sector in any significant way.