Explanatory Memorandum to the Child Minding and Day Care (Disqualification) (Wales) Regulations 2022

This Explanatory Memorandum has been prepared by Childcare, Play and Early Years Division and is laid before Senedd Cymru in conjunction with the above subordinate legislation and in accordance with Standing Order 27.1

Minister/Deputy Minister's Declaration

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of the Child Minding and Day Care (Disqualification) (Wales) Regulations 2022. I am satisfied that the benefits justify the likely costs.

Julie Morgan MS Deputy Minister for Social Services 19 October 2022

PART 1

1. Description

The Child Minding and Day Care (Disqualification) (Wales) Regulations 2022 revoke and update, with modifications, the Child Minding and Day Care (Disqualification) (Wales) Regulations 2010 ("the 2010 Regulations").

These Regulations set out the categories of persons who are disqualified from registration in Wales as a child minder or provider of day care under Part 2 of the Children and Families (Wales) Measure 2010 ("the Measure"). Persons disqualified under these Regulations must not act as child minders in Wales, provide day care or be concerned in the management of any provision of day care. Nor must they be employed in connection with the provision of child minding or day care.

A key purpose of these Regulations is to update references to existing legislation and to incorporate offences which were included in the equivalent regulations that apply in England when they were updated in 2018¹. This is done on the basis that it is considered appropriate for anyone cautioned or convicted of these crimes to be disqualified from working in regulated childcare in Wales, as well as in England. Schedule 3 to the new Regulations includes further additional criminal offences over and above those which currently appear in the equivalent regulations that apply in England. These are new offences associated with voyeurism under sections 67A of the Sexual Offences Act 2003 and an offence under section 121 of the Anti-social Behaviour, Crime and Policing Act 2014, to use violence, threats or any form of coercion to force another person into marriage.

These Regulations also remove provisions which disqualify people from being registered to provide day care based on the fact that they live with someone who is disqualified or someone who works in their household is disqualified, and also remove some anomalies in existing regulations to ensure that people who have been subject to a Care or Supervision Order themselves in the past are not automatically disqualified from registration. The changes introduced by these Regulations mean that foster carers (including kinship foster carers) and those who have adopted children are no longer automatically disqualified from registration if they have /are caring for a child subject to a care or supervision order for reasons that are not attributable to their care of the child. These Regulations also remove the automatic disqualification of individuals who were themselves subject of a care or supervision order (unless an order of this nature has also been made because of the care they have provided to their own child).

¹The Childcare (Disqualification) and Childcare (Early Years Provision Free of Charge) (Extended Entitlement) (Amendment) Regulations 2018

These individuals will now be able to register to provide childcare services without having to secure a waiver from disqualification if they are able to satisfy all the other necessary criteria.

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

None.

3. Legislative background

The 2010 Regulations were made under powers contained within sections 79C (2) and (3), 79M(1)(c) and 104(4) and paragraph 4 of Schedule 9A to the Children Act 1989. These powers have subsequently been repealed by the Children and Families (Wales) Measure 2010 although the 2010 Regulations remain in force due to a saving provision.

The 2022 Regulations are made under sections 30(1), (3) and (4), 37(2)(a), 38(2), (3), (4) and (5) and 74(2) of the Children and Families (Wales) Measure 2010.

These Regulations are made under the negative procedure.

4. Purpose and intended effect of the legislation

These Regulations revoke and update, with modifications, the 2010 Regulations. They also incorporate:

- updating references to existing legislation to reflect the current legal position in the UK and in the Crown Dependencies of the Isle of Man, Jersey and Guernsey especially where these relate to offences by which an individual can be disqualified from providing day care and child minding services.
- new offences which it is considered appropriate for anyone cautioned or convicted of these crimes to be disqualified from working in regulated childcare in Wales.
- removal of provisions which disqualify people by association from providing day care based on their association with someone who lives or works in their household.
- removal of anomalies in current legislation to ensure that people who may have been subject to a Care or Supervision Order in the past - together with foster, kinship or adoptive parents - are treated fairly and are not automatically disqualified from registration.

The 2010 Regulations were made under enabling powers found in the Children Act 1989 which have been repealed by the Measure. Whilst the 2010 Regulations remain in force due to a saving provision, the legislative intention was clearly that

the 2010 Regulations should be replaced by regulations made under enabling powers within the Measure and which relate to registered providers under Part 2 of the Measure.

The new Regulations seek to increase fairness towards those who have been previously disqualified from registration through no fault of their own and reflect current legislation and offences. The Regulations and Schedules have been updated generally to include current legislation and offences (this includes reflecting the fact that the definition of an "offence against a child" has been substituted by the Safeguarding Vulnerable Groups Act 2006).

As the Regulations are critical in ensuring the safeguarding of children in regulated childcare settings, this will have a positive impact on children, the workforce, parents and carers.

Although the numbers involved are likely to be minimal, the proposed policy changes will have a positive impact on those people who have previously been disqualified from registration as a childminder or day care provider or being employed to work in childcare premises because of disqualification by association or because of the way the 2010 Regulations are drafted in respect of care and supervision orders. As a result, some individuals will now have the option of working in the regulated childcare and playwork sector, which previously may not have been available to them. This will help increase their future employment prospects and opportunities. The proposed changes will also have a positive impact on the sustainability of childcare businesses insofar as they enable the employment of people who would otherwise have been deemed by the 2010 Regulations to be unsuitable to work in childcare

5. Regulatory Impact Assessment

This assessment is concerned with assessing the costs and benefits of options in respect of proposed policy changes between <u>The Child</u> <u>Minding and Day Care (Disqualification) (Wales) Regulations 2010</u> ("the 2010 Regulations") and The Child Minding and Day Care (Disqualification) (Wales) Regulations 2022 ("the 2022 Regulations").

Background

The 2010 Regulations, which came into force on 30 July 2010, set out the categories of persons who are disqualified from registration in Wales, as a child minder or provider of day care under Part XA of the Children Act 1989. These disqualified persons must not act as child minders, provide day care or be concerned in the management of, or have any financial interest in, any provision of day care. Nor must they be employed in connection with the provisions of day care or child minding.

Summary of main changes between the 2010 Regulations and the 2022 Regulations

Technical and ancillary changes

A primary aim of these Regulations is to bring them up to date with the current law and to re-make the 2010 Regulations under updated enabling powers. Accordingly, the Welsh Government has taken the opportunity to remove parts of the 2010 Regulations which are no longer required and amend other parts where changes were deemed appropriate in the current legislative context.

The 2022 Regulations include technical updates whereby references to orders and determinations relating to the care of children (Schedule 1), the list of repealed offences (Schedule 2) and specified offences (Schedule 3) have been updated to reflect the current legal position in the UK and in the Crown Dependencies of Isle of Man, Jersey and Guernsey. The inclusion of offences in England and Wales, Scotland and Northern Ireland and in the Crown Dependencies aims to ensure that if an individual is found to have committed a comparable offence elsewhere in the UK or in the Crown Dependencies, then they would be disqualified from registration as a child minder or provider of day care in Wales. Regulation 4 of the 2022 Regulations also provides for disqualification from registration in relation to offences committed overseas which are comparable to the offences set out in the 2022 Regulations.

Schedule 3 of the 2022 Regulations includes disqualifying criminal offences which are additional to those in the 2010 Regulations. These new specified offences are largely based upon the equivalent English Regulations which were updated in 2018 through <u>The Childcare (Disqualification) and Childcare (Early Years Provision Free of Charge) (Extended Entitlement) (Amendment)</u> <u>Regulations 2018 ("the 2018 England Regulations"</u>) These additional offences reflect new offences which have been introduced since the 2010 Regulations came into force and are considered to be sexual and violent in nature and/or cause harm to, or involve children. They include, for example, offences relating to terrorism, improper use of public electronic communications, disclosure of private sexual photographs and film, human trafficking/exploitation and involvement in the supply of psychoactive substances.

Schedule 3 of the 2022 Regulations includes further additional criminal offences <u>over and above</u> those which currently appear in the 2018 England Regulations. These are new offences associated with voyeurism under sections 67A of the Sexual Offences Act 2003 and an offence under section 121 of the Anti-social Behaviour, Crime and Policing Act 2014, to use violence, threats or any form of coercion to force another person into marriage.

Given the sexual nature of the voyeurism offences, it is considered justifiable for these offences to be added to Schedule 3 of the 2022 Regulations.

Given the potential for offences relating to forced marriages to include violence, threats of violence and coercion to pressurise/force another person into what is in effect a legally binding arrangement, it is considered reasonable for this offence to also be incorporated into the list of disqualifying offences.

As is the case with the 2010 Regulations, these Regulations (at Regulation 9) includes provision so those who feel they have unjustifiably been disqualified from registration as a child minder or provider of day care can, if eligible, ask for their disqualification to be waived by the Welsh Ministers. As is the case with the 2010 Regulations, these Regulations also include a right of appeal to the First-tier Tribunal against refusal by the Welsh Ministers to grant a waiver to disqualification under the Regulations (at Regulation 10).

It is considered that the impact of these additional offences will be negligible given the relatively low numbers of individuals who are likely to have been convicted or cautioned for the specified offences who would also be intending to be registered as a child minder or provider of day care in Wales.

Furthermore, individuals looking to register as a child minder or provider of day care in Wales must be subject to an enhanced disclosure check with a check of the barred lists, which shows the same as an enhanced check plus whether the applicant is on the adults' barred list, children's barred list or both. These checks are processed by the Disclosure and Barring Service (DBS)^{2 3} and form part of the process of registration as a child minder or provider of day care which is managed by Care Inspectorate Wales (CIW) on behalf of the Welsh Ministers. They provide information about a person's criminal record history at a point in time and may contain information about their suitability to work with children. The majority of the offences included in the 2022 Regulations will therefore automatically be picked up as part of the enhanced disclosure check, resulting in negligible impact falling from the Regulations in and of themselves.

Key policy changes

In terms of the **key policy changes** being proposed, the options proposals and costs and benefits are detailed below.

² List of offences that will never be filtered from a DBS certificate - GOV.UK (www.gov.uk)

³ Where a person has lived overseas CIW seek the equivalent of a DBS check

Disqualification by association

Under the 2010 Regulations the disqualification by association provisions means that an individual can be disqualified from working in childcare because of an offence committed by someone who lives or works in their household.

Under the 2010 Regulations, a registered child minder, and a registered provider of day care, can be disqualified from registration or working in childcare in Wales based on their association with someone who lives or works in their household who has committed an offence or been made subject of orders or determinations falling within the scope of the 2010 Regulations.

We are proposing to remove the disqualification by association provisions in these Regulations insofar as they relate to registered persons working on nondomestic premises. This would apply to providers of day care - even though they may be living with someone who is disqualified under the 2022 Regulations or live in a household where such a person works. The changes proposed also mean that this would apply to a registered child minder who works away from their home (although this is less likely to happen in practice as the majority of child minders are registered to work from their own home).

The following options and impacts have been considered:

Option 1

Do nothing and continue with current disqualification provisions in relation to both workers in domestic and non-domestic settings.

This option retains the current policy position, with the same approach to disqualification being taken in respect of registered persons working on domestic and non-domestic settings. The 2018 England Regulations removed the disqualification by association in respect of <u>staff working in day care and schools</u> but retained the provision for individuals providing and working in childcare in domestic settings (i.e. child minders).

If Wales were to retain the status quo, our policy in respect of registered persons working on non-domestic settings would differ from the position in England and would perpetuate the view that it remains equally inappropriate for registered persons to be involved in childcare – on domestic and non-domestic settings - based on their association with someone who lives or works in their household who has committed an offence or been made subject of orders/ determinations falling within the scope of the disqualification legislation.

Option 2

In the 2022 Regulations, remove the disqualification by association provision relating to registered persons working in domestic and non-domestic settings.

It is generally accepted that it is considered high risk for a child minder to be allowed to register to provide child minding services for children if they live with someone who is disqualified or a disqualified person works in their home, where childcare is also provided. In a home environment, there is considerable potential and opportunity for other persons living or working in the home to come into contact with the children being cared for and to influence the actions of the registered person. As a general rule, child minders work independently from their own home, although some may work with other child minders or child minding assistants. Removal of the provision in relation to registered persons working on domestic settings would remove a key mitigating measure in terms of safeguarding children.

Option 3

In the 2022 Regulations, remove the disqualification by association provision relating to registered persons working in <u>non-domestic settings only</u>.

The overall level of risk to children's safety arising from the association of a registered person in non-domestic settings is considerably lower than the risk posed in domestic settings and the policy approach needs to be proportionate to the differing level of risk. There is a stronger policy and evidence base for removal of the provision in this regard, including:

- The existing provisions take no account of the fact that individuals providing care in a non-domestic setting will generally be working alongside a number of other people and that their behaviour will be observed by others in the workplace;
- The disqualification by association arrangements could be considered unfair/ unjust/ unnecessary – an offence committed by someone in the household <u>or the fact that they have been made subject of orders/</u><u>determinations within the scope of the legislation</u> has no bearing on the registered person's role and profession, especially if that registered person is working away from the home and away from any person who is disqualified. From the consultation undertaken in England on this issue, it was found that in some situations the legislation can force individuals to choose between their partners or family and work, impacting negatively on family relations;
- Removal of the provision in respect of non-domestic settings will remove some of the complexity in the current Regulations and align policies across England and Wales.

Some of these reasons were well rehearsed and considered as part of the UK Government's public consultation on proposals to reform the arrangements in England in 2016. The majority of responses to that consultation supported the complete removal of the provision in respect of registered persons working on non-domestic settings. Alignment with the policy position in England may also

facilitate cross-border working and simplify the rules for persons working in the childcare sector.

Preferred Option

The 2022 Regulations have been drafted to remove the disqualification by association provision in respect of registered persons providing childcare on nondomestic premises. The disqualification by association provision has also been removed for child minders/ child minders assistants working on domestic premises which is not also their home. These changes have been made for the reasons set out under **Option 3** above.

Accordingly, Regulation 11 of the 2022 Regulations provides that a person registered under Part 2 of the Measure has a duty to disclose information to the Welsh Ministers about the details of any order, determination, conviction or other ground for disqualification from registration under these Regulations. That obligation applies to information relating to the registered person <u>and</u> to any person living in the household or employed in the household where the registered <u>person is a child minder or intends to act as a child minder</u> **but does not apply** to any persons living in the same household or employed in the same household as a registered day care provider or someone applying to register as a day care provider or to a child minder registering to work at domestic premises away from their home.

The consultation exercise tested the level of support for the proposed change (Option 3) and also gauged the appetite amongst stakeholders for retaining the status quo (i.e. Option 1).

Care and Supervision Orders

We consulted on the following options to address anomalies relating to the automatic disqualification in the 2010 Regulations of individuals who were once themselves subject of a care or supervision order, and foster carers (including kinship foster carers) or adoptive parents who care for children who are or were subject of these orders.

Option 1

To stop the automatic disqualification of individuals who were themselves once subject of a **care order only** and foster carers (including kinship foster carers) or adoptive parents associated with a child who was or is subject of a **care order only**. No changes would be made in respect of supervision orders.

While this would align the policy position in Wales with that currently in operation in England, we understand that care and supervision orders are made on grounds that a child is suffering or likely to suffer significant harm and consider it unreasonable and unfair to make this policy change in respect of care orders only given that both types of orders are made on the same grounds.

Option 2

To stop the automatic disqualification of individuals who were themselves once subject of a **care or supervision order** and foster carers (including kinship foster carers) or adoptive parents associated with a child who was or is subject of a **care or supervision order**.

As care and supervision orders are made on grounds that a child is suffering or likely to suffer significant harm, we consider it unfair to disqualify the following:

- individuals in respect of whom a care or supervision order has been made in the past where they themselves were the individual at risk/likely to suffer harm;
- foster carers (including kinship foster carers) and adoptive parents who apply to become a registered child minder or day care provider but who has responsibility for a child/ children who are or were subject of a care or supervision order made as a consequence of the actions of others.

There is no evidence that these individuals would pose a risk to the safety of children in their care (unlike individuals whose actions have led to the making of a care or supervision order) and it is likely that it was never the intention to disqualify these persons when the 2010 Regulations were made. These provisions could justifiably be considered unfair.

Under this option, it would be our intention to retain the provisions in the 2010 Regulations in respect of persons applying to act as a child minder or provider of day care where such orders have been made on grounds of <u>their</u> treatment of a child.

Preferred Option

Our preferred option is **Option 2** for the reasons set out above. The option of retaining the status quo has not been pursued on the basis that the anomalies in the 2010 Regulations need to be resolved for equality reasons.

6. Guidance for registered child minders and providers of day care

Although these regulations apply in respect of persons registered as a child minder or provider of day care, section 39(2) of the Children and Families (Wales) Measure 2010 further extends the effect to those who may be employed in such settings in specifying that "[a] person must not employ, in connection with the provision of day care or child minding in Wales, a person who is disqualified from registration under this Part by regulations under section 38."

Care Inspectorate Wales registration guidance will be updated to reflect, the scope of the 2022 Regulations and the continuing requirements upon employers not to employ any person who is disqualified.

7. Costs and benefits

Costs

It should be noted that many of the assumptions are not evidence based, they are structured estimates. This, combined with the small impact associated with the policy, means we have taken a proportionate approach to this analysis.

£28,400 for transitional familiarisation costs for registered childcare and play setting managers to become acquainted to the changes in Regulations and accompanying guidance;
Number of registered day care settings x estimated manager hourly rate x 0.5 hours
1,800⁴ x £20.60⁵ x 0.5⁶ = £18,538.65
Number of childminders x estimated hourly rate x 0.5 hours
1,500 x £13.09⁷ x 0.5 = £9,818.25
Total £28,356.90
2 £700 for Welsh Government staff time to develop and communicate new guidance
Estimated 20 hours of HEO level time, 4 hours of Grade 7 time, and 1 hour of Deputy Director time
(15 x 30.65)⁸ + (4 x 50.94)⁹ + (1 x 71.88)¹⁰ = £735.33

Benefits

£3,300 per year directly due to workers who would otherwise have been suspended pending the outcome of a waiver application, now being able to work;

⁴ Care Inspectorate Wales register December 2021. Rounded to nearest 100.

⁵ Estimate based on <u>ASHE data</u>. There are two 'professions' which, while not directly related, are the most relevant: 'Managers and proprietors in health and care services' (£16.44); 'Residential, day and domiciliary care managers and proprietors' (£15.25). These two median gross hourly earnings for the professions from the 2021 survey are averaged. Figures have been uplifted by 30% to reflect on-costs.

⁶ Working assumption due to lack of evidence. Based on <u>The Childcare (Disqualification) and Childcare</u> (Early Years Provision Free of Charge) (Extended Entitlement) (Amendment) Regulations 2018 (legislation.gov.uk)

⁷ Estimate based on <u>ASHE data</u>. Median gross hourly earnings for the profession 'Childminders' (£10.07). From the 2021 survey. An uplift of 30% has been applied to reflect on-costs.

⁸ Annual average gross cost of an HEO in 2020-21 is £49,893

⁹ Annual average gross cost of a Grade 7 in 2020-21 is £82,928

¹⁰ Annual average gross cost of a Deputy Director in 2020-21 is £117,016

Estimated number of cases x hours lost per case x estimated hourly wage (incl. on-costs) in registered childcare and play settings

3¹¹ x 84hrs¹² x £13.09¹³ = £3,298.93

2 £100 per year resulting from provider admin staff not having to support staff applying for waivers, considering assessments of disqualification, or notifying Care Inspectorate Wales;

Estimated number of cases x time spent per case x hourly wage of support staff)

 $3^{14} \times 2.175 hrs^{15} \times \pounds 13.09^{16} = \pounds 85.42$

8. Other (non-monetised) Impacts

There is no data available on the number of adults in Wales who have been subject of a care or supervision order in Wales in the past or who are adoptive or foster/kinship parents and caring for children who are subject of care orders. As such, it is not possible to determine how many of those people may seek to register as a child minder or provider of day care in Wales in the future. However, we expect the number will be small.

In addition to the costs and benefits listed above, there are likely to be further impacts not considered here associated with better employer-employee relations. These include an improved well-being and sense of fairness leading to improved productivity, reduced strain on providers, needing to redeploy or suspend staff, and having to find cover, and potentially a greater range of applicants. However, we have not attempted to include these, due to a lack of readily available evidence and a desire to take a proportionate approach given the scale of the policy.

¹¹ In the absence of data on the number of cases from Care Inspectorate Wales. We have proportioned the number of cases in England based on Ofsted data, to assume it would be broadly equivalent to the number of settings in Wales

¹² Based on management information and feedback provided by Ofsted for <u>The Childcare</u> (Disqualification) and Childcare (Early Years Provision Free of Charge) (Extended Entitlement) (<u>Amendment</u>) Regulations 2018 (legislation.gov.uk) Assume likely to be similar in Wales

¹³ Estimate based on <u>ASHE data</u>. Median gross hourly earnings for the profession 'Childminders' (£10.07). From the 2021 survey. Is assumed to be approximately applicable to other staff working in the registered childcare and play sector more widely. An uplift of 30% has been applied to reflect on-costs.

¹⁴ As above – estimate based on Ofsted data. CIW has confirmed there have been very few waivers in the last 10 years

¹⁵ As above – estimate based on Ofsted data

¹⁶ Estimate based on <u>ASHE data</u>. Median gross hourly earnings for the profession 'Childminders' (£10.07). From the 2021 survey. Is assumed to be approximately applicable to other staff working in the registered childcare and play sector more widely. An uplift of 30% has been applied to reflect on-costs.

In addition, there are other benefits not included here, such as the time saved for workers no longer having to apply for waivers, and CIW no longer having to spend staff time processing waiver cases (although there have been very few in the last 10 years).

As such, we believe the true value of the benefits arising from the policy have the potential to be larger than quoted here.

9. Consultation

This draft RIA was published alongside a <u>Consultation Document</u> and the <u>Child Minding and Day Care (Disqualification) (Wales) Regulations 2022</u>. The consultation period ran from 31 March 2022 until 23 June 2022

The consultation was drawn to the attention of a wide audience of key stakeholders including all registered childcare and play work providers, local authorities, the Children's Commissioner for Wales, and third sector organisations representing the childcare and play work organisations.

8 responses were received including an amalgamated response from the Cwlwm childcare consortium based on feedback form workshops held with representatives of child minders and day care providers. There was broad agreement to all the proposals in the consultation. No amendments were considered necessary to the Regulations.

A summary of the consultation responses is available at <u>https://gov.wales/draft-</u> <u>child-minding-and-day-care-disgualification-wales-regulations-2022</u>

10. Integrated Impact Assessment

Relevant sections of an <u>Integrated Impact Assessment</u> were published alongside the consultation exercise.

11. Competition Assessment

The competition filter test		
Question	Answer	
	(Yes or	
	No)	
Q1 : In the market(s) affected by the new regulation, does any firm have more than 10% market share?	No	
Q2 : In the market(s) affected by the new regulation, does any firm have more than 20% market share?	No	
Q3 : In the market(s) affected by the new regulation, do the largest three firms together have at least 50% market share?	No	
Q4 : Would the costs of the regulation affect some firms substantially more than others?	No	

The competition filter test		
Question	Answer (Yes or No)	
Q5 : Is the regulation likely to affect the market structure, changing the number or size of firms?	No	
Q6 : Would the regulation lead to higher set-up costs for new or potential suppliers that existing suppliers do not have to meet?	No	
Q7 : Would the regulation lead to higher ongoing costs for new or potential suppliers that existing suppliers do not have to meet?	No	
Q8 : Is the sector characterised by rapid technological change?	No	
Q9 : Would the regulation restrict the ability of suppliers to choose the price, quality, range or location of their products?	No	

These Regulations will not affect business, or charities and/or the voluntary sector in ways that raise issues related to competition. The competition filter has not been applied.

These Regulations are not expected to have any impact on competition or place any restrictions on new or existing suppliers.

These Regulations are not expected to have any negative impact on small and medium sized enterprises (SMEs) in Wales.

12. Post implementation review

We will continually seek feedback on the effectiveness of these Regulations and the impact of the changes, considering any improvements that may be required in future. Feedback from Care Inspectorate Wales who undertake the functions of the Welsh Ministers in respect of registering child minders and providers of day care and handle applications for waivers will be sought on a regular basis, as well as feedback from sector representatives.