

**EXPLANATORY MEMORANDUM TO THE
POLICE ACT 1997 (CRIMINAL RECORDS) (AMENDMENT) REGULATIONS 2006**

2006 No. 748

1. This explanatory memorandum has been prepared by the Home Office and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Description

2.1 This instrument provides for revised fees for Disclosure certificates issued by the Criminal Records Bureau (CRB). The revised fees are £31 for a Standard Disclosure and £36 for an Enhanced Disclosure. The Regulations also introduce a £6 per check fee for the CRB 'PoVAFirst' service.

2.2 Additionally, the instrument prescribes eligibility for CRB Enhanced Disclosures and provides a revised definition of 'relevant force' for the purpose of obtaining local police information for inclusion on an Enhanced Disclosure.

3. Matters of special interest to the Joint Committee on Statutory Instruments

The instrument provides for Disclosure fee increases above the rate of inflation. Fees for Standard and Enhanced Disclosure are increasing by £2 across the board. The £2 increase includes a cost of living rise plus an additional £1 to fund the CRB improvement programme, in particular the development of data management initiatives, the development of electronic services for CRB customers and enhancement to the POVAFirst service.

4. Legislative Background

4.1 The instrument gives effect to revised fees for CRB Disclosures, with Disclosures continuing to be issued free of charge to 'volunteers' as defined.

4.2 For the first time, there will be a charge levied by the CRB for customers making use of its POVAFirst service. The regulations therefore make provision for a £6 per check fee for this purpose, with checks being free for volunteers.

4.3 The Regulations prescribe eligibility for Enhanced Disclosures under section 113B of the Police Act 1997 for the first time as eligibility was previously provided for in section 115 of the Police Act 1997 which is repealed with effect from 6th April 2006 by provisions in the Serious Organised Crime and Police Act 2005.

5. Extent

This instrument applies to England and Wales.

6. European Convention on Human Rights

The instrument is subject to negative resolution procedure and does not amend primary legislation. No statement is therefore required.

7. Policy background and consultation

- 7.1 The objective of Part 5 of the Police Act 1997 (“the Act”), under which the CRB operates, was to widen access to criminal record checks to the private, public and voluntary sectors. The CRB provides an effective means through which employers, voluntary organisations and others can obtain details of an individual’s criminal history as part of the recruitment process.
- 7.2 Public interest in these regulations extends primarily to the increases in fees for CRB Disclosures, and the introduction of a fee for the *POVAFirst* service. The CRB produced a Partial Regulatory Impact Assessment (RIA) as the Disclosure fee increases were above the rate of inflation, and the *POVAFirst* fee introduction was likely to generate a certain amount of public interest. This Partial RIA was subject to a public consultation which ended on 2nd February 2006. From the 13,795 Registered Bodies registered with the CRB at the time of the consultation, 121 responses were received. There was much support for the investment in future initiatives for the benefit of CRB customers. There was little support for a £2 increase to Disclosure fees, with more support received for a £1, or no, increase. Those objecting were from a variety of sectors, with the majority of responses coming from the Care sector.
- 7.3 The Final RIA is attached as an annex to this Explanatory Memorandum and the detailed results from the consultation can be found on the CRB website – www.crb.gov.uk.
- 7.4 The CRB are identifying cost savings across the whole Disclosure process but some cost of living increases are inevitable. On projected volumes and with the proposed investment plans, no increase to the Disclosure fee and no *POVAFirst* charge would result in a deficit of around £6 million. This shortfall would have to be funded in full by the government, and ultimately the taxpayer, or partially with any shortfall offset by a reduction in the investment plans.
- 7.5 Since the launch date of the 26th July 2004, the *POVAFirst* service has been provided free of charge to customers. However, the Department of Health and the Home Office have always intended to introduce a separate charge for this service at some point. The introduction of a charge for *POVAFirst* checks was provided for by the Serious Organised Crime and Police Act 2005. When consultation over the level of the fee commenced the suggested fee was £6.50 per check. The fee provided for in this instrument is £6 per check.
- 7.6 The majority of respondents to the consultation agreed that there was still a requirement for the *POVAFirst* service, although the majority did not agree to a £6 charge. Actual volumes for the *POVAFirst* service are running at over twice the anticipated figure presumably due, in the large part, to the absence of a fee. It is expected that the volumes will decrease once a charge is introduced. A charge will only impact on regulated care providers and only in the exceptional circumstances when they need to recruit staff immediately.
- 7.7 The increase in Disclosure fees will impact on employees or employers where they choose to pay the fee. There will be no impact on the voluntary sector as these checks will continue to be free

7.8 The provision in the Regulations detailing Enhanced Disclosure eligibility criteria also includes explicit provision for all those individuals seeking employment in a school to be eligible for Enhanced Disclosures from the CRB. This provision has been made in line with the ministerial statement made by the Secretary of State for Education and Skills on 19th January 2006 that all such individuals should obtain Enhanced Disclosures.

7.9 As part of the CRB Enhanced Disclosure service, the CRB refers applications where appropriate to the police forces of Jersey, Guernsey and/or the Isle of Man. The revised definition of 'relevant force' provided for in this instrument seeks to formally recognise this arrangement.

8. Impact

8.1 The Regulatory Impact Assessment relating to the Disclosure fee increases and the introduction of a *POVAFirst* fee, produced in consultation with the Home Office Better Regulation team, Cabinet Office, Small Business Services and Office of Fair Trading is attached to this memorandum.

9. Contact

Nicholas Snelham at the Criminal Records Bureau Tel: 0151 676 1423 or e-mail: nicholas.snelham@crb.gsi.gov.uk can answer any queries regarding the instrument.

Criminal Records Bureau

**Increase in Disclosure Fees and Introduction of Fees for
POVAFirst**

Final Regulatory Impact Assessment

March 2006

*An Executive Agency
of the Home Office*

Final Regulatory Impact Assessment

Title of Proposal

1. Increase Disclosure fees under Part 5 of the Police Act 1997 and introduce a payment for *POVAFirst* checks as provided for within the Serious Organised Crime and Police Act 2005 (SOCAP).

Purpose and intended effect

2. The Criminal Records Bureau (CRB) has been operational since March 2002. It was set up to meet demands for a more comprehensive and effective means through which employers, voluntary organisations and others could obtain details of an individual's criminal history as part of the recruitment process. This information will help employers assess an applicant's suitability to work with children, vulnerable adults and/or in other positions of trust.
3. There are two levels of check available which are Standard and Enhanced Disclosures. Both provide information on an individual's spent and unspent convictions. If the post applied for requires it, a check of the lists held by other Government departments identifying a person as being unsuitable to work with children or vulnerable adults is also undertaken. In addition to this, for an Enhanced Disclosure check, any local information held by a police force that is deemed to be relevant to the position applied for, will also be disclosed.
4. The current fee for a Disclosure is £34 for an Enhanced check and £29 for a Standard check. Volunteers continue to receive free of charge checks.
5. *POVAFirst* was an additional service introduced in July 2004 by the CRB at the request of the Department of Health (DH) to enable those organisations who have a duty to check the Protection of Vulnerable Adults (POVA) list and have requested a check of the POVA list on their Disclosure application form to receive results of a POVA check in advance of the full Disclosure being issued. This service is currently free of charge.
6. These conditions apply to England and Wales.

Objectives

7. The Agency is required to be self-funding and has in recent years moved towards that position. However, the CRB are currently operating at a deficit and without a Disclosure fee increase the CRB will continue to do so next year. A major reason for this position is that as well as taking internal efficiency steps, the CRB has continued to enhance its services in recent years and does not consider it unreasonable to ask the users of the service to pay for the on going costs associated with those improvements. Crucially, the increased income will help pay for further investment in response to both Sir Michael Bichard's report and customer requests.
8. As for *POVAFirst* it has always been the CRBs intention for this to be a chargeable service. Initially, when the *POVAFirst* service was introduced legislation was not in place to enable to charge for this service. It is now the intention of the CRB to charge for this service as provided through SOCAP2005. The fact that it has been free of charge to date has contributed to the CRBs deficit position.

Background

9. The current fee for a Disclosure is £34 for an Enhanced check and £29 for a Standard check. Volunteer applications are free of charge and the current percentage of volunteers is 19.5% of all CRB applications, which is an increase of 4.5% from that envisaged when the current fee structure was set in 2003. This has contributed towards CRB deficit.
10. The revenue from Disclosure fees does not cover any of the implementation and ongoing costs for enhancements to the CRB service identified through the Bichard Inquiry and those suggested by CRB customers.
11. The Bichard report was published following a public inquiry on child protection procedures, particularly the effectiveness of relevant intelligence based record keeping, vetting practices and information sharing with other agencies. A set of recommendations were made regarding the effectiveness and efficiency of current vetting procedures. The CRB are committed to implementing a number of these recommendations.
12. Following the recommendations within the Bichard report the CRB have already introduced improvements to the Disclosure service. These include the introduction of I-PLX which is a system built and funded by the CRB. Currently, as part of the Enhanced Disclosure process, the CRB asks police forces, in those areas where the applicant has lived in the past 5 years, whether they have relevant information about that person. It is however possible that other police forces may hold relevant information, even though that person has never lived in their area. The new I-PLX database addresses this issue and is an addition to the current Enhanced Disclosure process, enabling CRB to check if any force has intelligence or non-conviction information on an applicant.
13. The CRB is committed to the further development of I-PLX and during the year will aim to reduce referrals to forces only where it is known intelligence is held. This will reduce the average time taken to clear these checks and therefore speed up the Disclosure process as checks will only be sent to forces that are known to hold information and not to all the forces where the applicant has resided in the last 5 years. There are also plans to enhance the functionality of I-PLX by adding data from new sources such as British Transport Police, the Serious Organised Crime Agency and the British Military Police. During next year the CRB will have in place an information exchange agreement with Australia.
14. A new 'Quality Assurance Framework' (QAF) is also being rolled out to all police forces. This will standardise the police's approach to deciding what, if any, information is relevant for release on the CRB Enhanced Disclosure. The framework will also provide the police with good practice guidelines for wording of information on the Disclosure, including consideration of the victim's age and mental capacity.
15. CRB received financial assistance from the Home Office when implementing these initiatives with the expectation that the associated additional running costs would be funded by the Fee income.
16. CRB is intending to invest to deliver electronic based services to our customers. For example, during 2006/07, an on-line enquiry service will be made available to both individual applicants and Registered Bodies (RBs) to track the progress of a Disclosure application. By April 2007, the CRB plans to introduce a web based application route. These are all initiatives our customers are asking of us. The CRB has no additional funding for such initiatives.
17. On 26th July 2004, the Department of Health and the National Assembly for Wales launched the Protection of Vulnerable Adults (POVA) scheme. At the heart of the scheme is the POVA list. This is a list of care workers who have harmed vulnerable adults in their care. A check against the POVA list can only be made through an application to the CRB for a Disclosure and is only available to those regulated care providers who have a legal duty to check the POVA list.

18. To coincide with the launch of POVA, the CRB also introduced a new service called *POVAFirst*. *POVAFirst* is an additional service provided by the CRB that can be used in cases where, very exceptionally, and in accordance with DH guidance, employers need to employ new staff prior to receiving the Disclosure. This service allows customers to see the result of the POVA check as soon as possible and before the full Disclosure is received. The service benefits those customers where failure to appoint staff quickly may result in the inability to meet the fundamental care needs of vulnerable people. As part of its investment in electronic based services, a new web based service will be developed during 2006/07 to enable RBs in the care sector to make same recruitment decisions by checking the POVA list on line in real time.
19. Since the launch date of 26th July 2004, the *POVAFirst* service has been free of charge to all customers. However, the DH and Home Office have always intended to introduce a separate charge for this service at some point.
20. Between 26th July 2004 and November 2005, the CRB has processed 200,834 *POVAFirst* checks, averaging over 19,000 per month over the period June to September 2005. This is currently costing CRB over £100, 000 per month for providing the service.
21. It has always been the intention of the CRB to charge for *POVAFirst* checks and provision set within the SOCAP 2005 now enables this.

Rationale

22. If the fees are set too high there is a potential risk that Registered Bodies may not undertake Disclosure checks on individuals where there is no mandatory requirement to do so.
23. If Disclosure fee increases are not introduced or set too low the CRB will continue to operate at a deficit and the CRB would certainly have to reduce its investment plans.
24. The DH requested the *POVAFirst* service to assist the regulated care sector in their recruitment processes to enable staff to be recruited immediately knowing that the applicant is not barred from working with vulnerable adults. The regulated care sector will be the only sector affected by the introduction of charges for *POVAFirst* checks.
25. If the CRB does not introduce a charge for *POVAFirst* checks this will continue to contribute to the CRBs deficit position.

Consultation

26. The Chairpersons of the CRB Consultative panel which consists of members from the voluntary, sport, health and social care, education and faith sectors were informed of the intention to increase the Disclosure fees and the introduction of charging for *POVAFirst* checks at the end of November. The CRB subsequently met with each separate consultative group informing them of the proposed changes. Generally the groups are largely supportive of a £2 Disclosure fee increase as long as the additional £1 is invested in new and enhanced services that deliver real benefits to customers. The CRB have also consulted directly with the DH over the potential introduction of a fee for *POVAFirst* checks. Feedback received from the regulated care sector is that although disappointed that a charge will be made for *POVAFirst* checks they have always understood that the intention has been to charge for this service once the legislative provisions were in place.
27. The introduction of a charge for *POVAFirst* checks was provided for and consulted on in October 2004, as part of the SOCAP Act 2005. This consultation and RIA stated that the charge would be £6.50 for each check. After consideration, it is intended for the charge to be £6 per check subject to an annual cost of living increase.

28. On 2 February 2006 the CRB completed a consultation on the proposals to increase Disclosure fees and introduce a charge of £6 for *POVAFirst* checks. The results of the consultation were placed on the CRB and Home Office websites on 17 February.
29. Prior to the start of the consultation, 13,895 letters were sent out to all RBs and key stakeholders inviting them to respond to the consultation. There was a poor response to the consultation with only 121 replies received. Of those who did respond, there was much support for the investment in future initiatives for the benefit of CRB customers. New services such as a web tracking tool were also welcomed. There was little support for a £2 increase to Disclosure fees with more support received for either a £1 increase or no increase at all. Those objecting to Disclosure fee increases were from a variety of sectors with the majority of responses received from the care sector.
30. 81 of the 121 respondents agreed there was still a requirement for the *POVAFirst* service, although the majority did not agree to a £6 charge.
31. Following the consultation, approval was obtained from the Minister for the CRB to progress with the proposals to increase Disclosure fees by £2 and introduce a £6 charge for *POVAFirst* checks from 6th April 2006. There will be no charge made for volunteer *POVAFirst* applications and volunteer Disclosure applications will continue to be free of charge.

Options

32. Five options have been identified.

Option 1 – Leave as now with no increase to the Disclosure fee and no charge for *POVAFirst* checks.

Option 2 – Introduce a cost of living increase of £1 for Disclosure fees and do not charge for *POVAFirst* checks.

Option 3 – Introduce a cost of living increase of £1 to the Disclosure fee and introduce a charge of £6 for each *POVAFirst* check.

Option 4 – Introduce a £2 increase to the Disclosure fees and not introduce a charge for *POVAFirst* checks.

Option 5 – As option 4 plus a £6 charge for each *POVAFirst* check.

Cost and benefits

Option 1 – Leave as now with no increase to the Disclosure fee and no charge for *POVAFirst* checks.

33. The CRB are identifying cost savings across the whole Disclosure process but some cost of living increases are inevitable and at the least should be reflected in the Disclosure fee. On projected volumes and with the proposed investment plans, no increase and no *POVAFirst* charge will result in a deficit of around £6 million, which would have to be funded in full by the government, and ultimately the taxpayer, or partially with any shortfall offset by a reduction in the investment plans. This option will not impact on CRBs customers. Not introducing a charge for *POVAFirst* checks will continue to contribute to CRBs deficit position. Customers within the regulated care sector will continue to receive this service free of charge. If left unchanged the CRB will continue to operate at a deficit next year.

Option 2 – Introduce a cost of living increase of £1 for Disclosure fees and do not charge for *POVAFirst* checks.

34. The cost of living increase for Disclosure fees would mean a £1 increase from £29 to £30 for a Standard and from £34 to £35 for an Enhanced Disclosure. The cost of living increase to Disclosure fees will cover some of the CRBs ongoing costs but will do little to contribute to CRBs self funding status.
35. On projected volumes and with the proposed investment plans, a cost of living Disclosure fee increase and no POVAFirst charge will result in deficit of around £5 million, which would have to be funded in full by the government, and ultimately the taxpayer, or partially with any shortfall offset by a reduction in the investment plans. If no government funding is forthcoming all investment plans would have to be shelved. Not introducing a charge for POVAFirst checks will continue to contribute to CRBs deficit position. Customers within the regulated care sector will continue to receive this service free of charge.

Option 3 – Introduce a cost of living increase of £1 to the Disclosure fee and introduce a charge of £6 for each POVAFirst check.

36. As option 2 for Disclosure fee increase but with the introduction of a charge for POVAFirst checks.
37. POVAFirst checks have been free of charge since the service was introduced on 26th July 2004. From July 2004 to November 2005 the CRB have processed 200,834 checks at a cost to date of £1,011,651.
38. Introducing a charge will cover the POVAFirst operating costs and contribute towards CRBs self funding objective.
39. The CRB has always intended to charge for POVAFirst checks. Actual volumes are running at over twice the anticipated figure presumably due, in the large part, to the absence of a fee. It is expected that the volumes will decrease once a charge is introduced. A charge will only impact on regulated care providers and only in the exceptional circumstances when they need to recruit staff immediately.
40. There will continue to be no charge for volunteer Disclosure applications and it is intended not to charge volunteers for POVAFirst checks.
41. On projected volumes and with the proposed investment plans, a cost of living Disclosure fee increase together with the introduction of a POVAFirst charge will result in a deficit of around £4 million, which would have to be funded in full by the government, and ultimately the taxpayer, or partially with any shortfall offset by a reduction in the investment plans. If no government funding is forthcoming all investment plans would have to be shelved.

Option 4 – Introduce a £2 increase to the Disclosure fees and not introduce a charge for POVAFirst checks.

42. This £2 increase will include a cost of living rise plus an additional £1 to fund CRBs improvement programme. The fee for a Standard Disclosure will rise from £29 to £31 and for an Enhanced from £34 to £36. The £2 increase to the Disclosure fee will help contribute to the running costs of early initiatives e.g. I-PLX and QAF while at the same time help with future investments such as to deliver an electronic service for Disclosure applications, Disclosure progress enquiries and an enhancement to the current POVAFirst service enabling RBs in the care sector to make a real time check of the POVA list allowing same day recruitment decisions. Additionally it will provide for further enhancements to I-PLX by increasing its functionality and by adding additional data sources such as British Transport Police, the Serious Organised Crime Agency and British Military Police.
43. By introducing an electronic channel the CRB hopes to reduce its costs to the benefit of customers in the form of reduced fees and/or further enhancements to the service. These are

all initiatives our customers are asking of us. They will improve the speed, consistency, reliability and cost of our services in the future.

44. Without the £2 Disclosure fee increase the CRB would have to reduce its investment plans. On the basis the forecast for the number of Disclosures expected for the next financial year 2006/07 will be 2.9 million (some 19% of which will be issued free to volunteers). At this volume, it will contribute £4.4 million to the investment plans.
45. The increase in Disclosure fees will impact on employees or employers where they choose to pay the fee. There will be no impact on the voluntary sector as these checks will continue to be free.
46. On projected volumes and with the proposed investment plans, an increase of £2 on the Disclosure fee but no POVAFirst charge will result in a deficit of around £1 million, which would have to be funded in full by the government, and ultimately the taxpayer.

Option 5 – As option 4 plus a charge for POVAFirst checks

47. This £2 increase will include a cost of living rise plus an additional £1 to fund CRBs improvement programme. The fee for a Standard Disclosure will rise from £29 to £31 and for an Enhanced from £34 to £36.
48. The £2 increase to the Disclosure fee will help contribute to the running costs of early initiatives e.g. I-PLX and QAF while at the same time help with future investments such as to deliver an electronic service for Disclosure applications, Disclosure progress enquiries and an enhancement to the current POVAFirst service enabling RBs in the care sector to make a real time check of the POVA list allowing same day recruitment decisions. Additionally it will provide for further enhancements to I-PLX by increasing its functionality and by adding additional data sources such as British Transport Police, the Serious Organised Crime Agency and British Military Police.
49. By introducing an electronic channel the CRB hopes to reduce its costs to the benefit of customers in the form of reduced fees and/or further enhancements to the service. These are all initiatives our customers are asking of us. They will improve the speed, consistency, reliability and cost of our services in the future. Without the £2 Disclosure fee increase the CRB would have to reduce its investment plans.
50. POVAFirst checks have been free of charge since the service was introduced on 26th July 2004. From July 2004 to November 2005 the CRB have processed 200,834 checks at a cost to date of £1,011,651. Introducing a charge will cover the POVAFirst operating costs and contribute towards CRBs self funding objective.
51. The CRB has always intended to charge for POVAFirst checks. Actual volumes are running at over twice the anticipated figure presumably due, in some part, to the absence of a fee. It is expected that the volumes will decrease once a charge is introduced.
52. A charge will only impact on regulated care providers and only in the exceptional circumstances when they need to recruit staff immediately.
53. There will continue to be no charge for volunteer Disclosure applications and it is intended not to charge volunteers for POVAFirst checks.
54. This option will impact mostly on the regulated care sector as they will be affected by both the Disclosure fee increase and the introduction of a charge for POVAFirst checks. Approximately 15% of our customers are from the care sector. This option will not only help towards the CRBs future initiatives but will also contribute to the CRBs requirement to be self funding.

Summary of costs and benefits

55. This RIA sets out 5 options as follows:

	Options	Costs	Benefits	Disadvantages
1	Leave as now with no increase to the Disclosure fee and no charge for <i>POVAFirst</i> checks.	There will be no additional costs for businesses.	Organisations will continue to benefit from a subsidised Disclosure service.	The CRB will operate at a deficit of £6m. This would be funded by the government and ultimately the taxpayer. Future CRB investments would be shelved.
2	Introduce a cost of living increase of £1 for Disclosure fees and do not charge for <i>POVAFirst</i> checks.	Additional Disclosure fee cost to employees (or employers where they choose to pay the fee). No costs for <i>POVAFirst</i> checks for organisations within the regulated care sector.	Customers within the regulated care sector will continue to receive <i>POVAFirst</i> checks free of charge. Will go some way to cover CRBs ongoing costs.	Increase in Disclosure fees from £29 to £30 for Standard and from £34 to £35 for Enhanced. The CRB will operate at a deficit of £5m. This would be funded by the government and ultimately the taxpayer. Future CRB investments would be shelved
3	Introduce a cost of living increase of £1 to the Disclosure fee and introduce a charge of £6 for each <i>POVAFirst</i> check	Additional Disclosure fee cost to employees (or employers where they choose to pay the fee). Customers within the regulated care sector will be required to pay £6 for each <i>POVAFirst</i> check.	Will go some way to cover CRBs ongoing costs.	The CRB will operate at a deficit of £4m. This would be funded by the government and ultimately the taxpayer. Future CRB investments would be shelved
4	Introduce a £2 increase to the Disclosure fees and not introduce a charge for <i>POVAFirst</i> checks.	Additional Disclosure fee cost to employees (or employers where they choose to pay the fee). No costs for <i>POVAFirst</i> checks for organisations within the regulated care sector.	The CRB would receive around £4.4 million to fund the majority of the investment plans but with some prioritisation.	The CRB will operate at a deficit of £1m. This would be funded by the government and ultimately the taxpayer.
5	As option 4 plus a £6 charge for each <i>POVAFirst</i>	Additional Disclosure fee cost to employees (or	The £6 charge for <i>POVAFirst</i> checks	An £2 increase for both Standard and

	<p>check.</p>	<p>employers where they choose to pay the fee).</p> <p>Customers within the regulated care sector will be required to pay £6 for each <i>POVAFirst</i> check.</p>	<p>will cover CRBs processing costs for operating the service and contribute to CRBs requirement to be self-funding.</p> <p>At the present volume for <i>POVAFirst</i> checks the CRB would receive approx £1.4 million.</p> <p>The £2 Disclosure fee increase will help fund CRBs future initiatives and will contribute to the CRBs requirement to be self-funding.</p> <p>This option will mean that CRB will not operate at a deficit.</p> <p>CRB customers will benefit from the new initiatives.</p>	<p>Enhanced Disclosures and a £6 charge for each <i>POVAFirst</i> check.</p>
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Small firms impact test

56. A large proportion of RBs are small businesses or charities. The onus is on the applicant to pay the Disclosure fee although the RBs can bare the cost if they choose. However, given that small businesses have fewer staff, the Disclosure fee increase may not impact disproportionately on small businesses.
57. As *POVAFirst* checks only apply to the specific providers in the regulated care sector, the majority of these providers are small businesses such as care homes. These will be affected by the introduction of a charge for this service. It is important to mention here that *POVAFirst* was introduced in response to concerns raised by regulated care providers around maintaining staffing levels and it has always been the intention to charge for this service. The majority of the respondents to the consultation were from the care sector and 49 of these objected to a £6 charge for the service.

Competition assessment

58. The increased Disclosure fee and the introduction of charges for checking *POVAFirst* are unlikely to affect the competitive process.

Race and Equality

59. The purpose of increasing the Disclosure fees and introducing a charge for *POVAFirst* checks is to ensure that the cost of providing the services falls on those who use it. No race equality impact assessment is needed.

Health impact assessment

60. None have been identified.

Enforcement, sanctions and monitoring

61. The Disclosure fees are currently payable either on account or individual application to the CRB and are a condition of registration. There are no fees payable for those applications meeting the CRB criteria for a volunteer. The payment of fees will continue to be monitored using normal credit control procedures.
62. *POVAFirst* checks should not be used as a substitute for good work planning and management and the Commission for Social Care Inspection will take appropriate action if this provision is misused. This is no different from what is already in place where there is no charge for a *POVAFirst* checks.

Post implementation review

63. A £2 Disclosure fee increase and a £6 charge for *POVAFirst* checks will contribute towards CRBs self funding status and for the new initiatives. The CRB will use the new charges to implement new initiatives for the benefit of our customers and the CRB will review, on implementation of these initiatives, whether the costs to our customers can be reduced. CRB are currently working on the 2006/07 Business Plan which will highlight exactly when the CRB plans to implement the new initiatives.

Summary and Recommendation

64. Following consultation, option 5 is the preferred option. The main objections to this option were that such increases would impact more on the care sector and that several increases had already been made to Disclosure fees. However, the response to the consultation was considered low with only 121 responses received and this response only represents 0.9% of the current Registered Body network. Option 5 will mean that CRB will not be operating at a deficit and will be in a position to deliver the new initiatives.

Declaration and publication

"I have read the Regulatory Impact Assessment and I am satisfied that the benefits justify the costs".

Signature: *Andy Burnham*

Date: *14th March 2006*

Contact point

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Annex A

Implementation Plan

The CRB intend to introduce the new Disclosure fees and *POVAFirst* charges from 6th April 2006.

Disclosure Fees

All valid Disclosure applications received before the 6th April will be charged at the current rates for Disclosures – i.e. £29 for a Standard Disclosure and £31 for an Enhanced. All applications received on or after the 6th April will be payable at the new rates which will be £31 for a Standard Disclosure and £34 for an Enhanced. Volunteer Disclosure applications will continue to be free of charge.

***POVAFirst* checks**

All valid *POVAFirst* applications made on or after the 6th April 2006 will be charged at £6 per check. Applications made in respect of volunteers will be free of charge. As with the current service, only those Registered Bodies who pay on account will be able to use the service.

CRB customers have been kept informed of the proposals through meetings with the Consultative groups, Disclosure news, letters to RBs and via the CRB website. A press notice will be issued on or around the time of the associated regulations being laid.