| | |
|---|---|
| **Title:**<br>Child Performers - Chaperones<br>**IA No:** DFE 0024<br>**Lead department or agency:**<br>Department for Education<br>**Other departments or agencies:**<br>Department for Culture, Media and Sport | **Impact Assessment (IA)**<br>**Date:** 16/05/2012<br>**Stage:** Consultation<br>**Source of intervention:** Domestic<br>**Type of measure:** Primary legislation<br>**Contact for enquiries:** Éilish Newman 07557 846 488 |

## Summary: Intervention and Options

**RPC Opinion:** AMBER

| Cost of Preferred (or more likely) Option | | | | |
|---|---|---|---|---|
| **Total Net Present Value** | **Business Net Present Value** | **Net cost to business per year** (EANCB on 2009 prices) | **In scope of One-In, One-Out?** | **Measure qualifies as** |
| £-0.23m | £-0.20m | £0.02m | Yes | IN |

**What is the problem under consideration? Why is government intervention necessary?**

A chaperone is required as part of the licensing process to care for children who are taking part in a performance. Chaperones have responsibility for the welfare and safety of the child during a performance, including ensuring that the terms of licence are being adhered to - therefore they are key to safeguarding children. They can currently look after up to 12 children at any time. However, there have been concerns that this figure is unrealistic given that children can be required to be doing different tasks at different times and a single chaperone cannot supervise children in more than one area. We propose to consult on reducing the maximum ratio from 1:12 to 1:10 to provide more effective protection to children.

**What are the policy objectives and the intended effects?**

To consider how best to assist chaperones to do their job effectively and practically, whilst ensuring that unnecessary burdens are not placed on organisations putting on performances.

**What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**

1) Do nothing - current regulations remain in place.

2) Remove the limit on maximum numbers of children per chaperone.

3) Reduce the number of children that one chaperone can look after at any one time.

4) Retain the current legal maximum but encourage a lower ratio of children to chaperones when appropriate.

The preferred option is option 3, which would allow the ratio to be reduced so that chaperones can provide better care to children, but without placing too many onerous burdens on organisations.

**Will the policy be reviewed?** It will be reviewed. **If applicable, set review date:** 06/2017

| | | | | | |
|---|---|---|---|---|---|
| Does implementation go beyond minimum EU requirements? | | | Yes | | |
| Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base. | **Micro** Yes | **< 20** Yes | **Small** Yes | **Medium** Yes | **Large** Yes |
| What is the $CO_2$ equivalent change in greenhouse gas emissions? (Million tonnes $CO_2$ equivalent) | | | **Traded:** N/A | **Non-traded:** N/A | |

***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible SELECT SIGNATORY: ..... Date: .....

# Summary: Analysis & Evidence

Policy Option 1

**Description:** Do nothing (reference case)

**FULL ECONOMIC ASSESSMENT**

| Price Base Year 2011 | PV Base Year 2011 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|---|---|---|---|---|---|
| | | | **Low:** | **High:** | **Best Estimate:** £0 |

| COSTS (£m) | Total Transition (Constant Price) | Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---|---|---|---|---|
| **Low** | | | | |
| **High** | | | | |
| **Best Estimate** | £0 | | £0 | **£0** |

**Description and scale of key monetised costs by 'main affected groups'**

The costs of the other options are expressed relative to this do nothing case.

**Other key non-monetised costs by 'main affected groups'**

| BENEFITS (£m) | Total Transition (Constant Price) | Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---|---|---|---|---|
| **Low** | | | | |
| **High** | | | | |
| **Best Estimate** | £0 | | £0 | **£0** |

**Description and scale of key monetised benefits by 'main affected groups'**

The benefits of the other options are expressed relative to this do nothing case.

**Other key non-monetised benefits by 'main affected groups'**

**Key assumptions/sensitivities/risks** — **Discount rate (%)** 3.5

**BUSINESS ASSESSMENT (Option 1)**

| Direct impact on business (Equivalent Annual) £m: | | | In scope of OIOO? | Measure qualifies as |
|---|---|---|---|---|
| **Costs:** £0 | **Benefits:** £0 | **Net:** £0 | No | NA |

# Summary: Analysis & Evidence

Policy Option 2

**Description:** Remove the limit on maximum numbers of children per chaperone

**FULL ECONOMIC ASSESSMENT**

| Price Base Year 2011 | PV Base Year 2011 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|---|---|---|---|---|---|
| | | | **Low:** £-1.59m | **High:** £-0.05m | **Best Estimate:** £-0.82m |

| COSTS (£m) | Total Transition (Constant Price) | Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---|---|---|---|---|
| **Low** | £0.05m | | £0.00 | **£0.05m** |
| **High** | £1.59m | 1 | £0.00 | **£1.59m** |
| **Best Estimate** | £0.82m | | £0.00 | **£0.82m** |

**Description and scale of key monetised costs by 'main affected groups'**

There are likely to be one-off transition costs for this policy since Local Authorities (LAs) and production companies will need to dedicate time to adjust their processes in light of the new system.

**Other key non-monetised costs by 'main affected groups'**

The potential long term costs of increased safeguarding issues which might come about if the legislation is not in place is not monetised.

| BENEFITS (£m) | Total Transition (Constant Price) | Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---|---|---|---|---|
| **Low** | £0.00 | | £0.00 | **£0.00** |
| **High** | £0.00 | 1 | £0.00 | **£0.00** |
| **Best Estimate** | £0.00 | | £0.00 | **£0.00** |

**Description and scale of key monetised benefits by 'main affected groups'**

There are no benefits monetised.

**Other key non-monetised benefits by 'main affected groups'**

On-going benefits can accrue to production companies through a reduction in the number of chaperones they have to employ and pay for. We are unable to assess with any reasonable accuracy the change in chaperone employment resulting from this option.

**Key assumptions/sensitivities/risks** **Discount rate (%)** 3.5

Using estimates from production companies and LA performance and employment managers we have been able to provide estimates of the potential impacts of this option. However, it is not possible to verify all assumptions and estimates. We will endeavour to improve these estimates and assumptions in later stages of the IA

**BUSINESS ASSESSMENT (Option 2)**

| Direct impact on business (Equivalent Annual) £m: | | | In scope of OIOO? | Measure qualifies as |
|---|---|---|---|---|
| **Costs: £0.1m** | **Benefits:** £0.0m | **Net:** -£0.1m | Yes | OUT |

# Summary: Analysis & Evidence

Policy Option 3

**Description:** Reduce the number of children that one chaperone can look after at any one time

**FULL ECONOMIC ASSESSMENT**

| Price Base Year 2011 | PV Base Year 2011 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|---|---|---|---|---|---|
| | | | **Low:** £-0.43m | **High:** £-0.04m | **Best Estimate:** £-0.23m |

| COSTS (£m) | Total Transition (Constant Price) | Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---|---|---|---|---|
| **Low** | £0.04m | | £0.00m | **£0.04m** |
| **High** | £0.43m | 1 | £0.00m | **£0.43m** |
| **Best Estimate** | £0.23m | | £0.00m | **£0.23m** |

**Description and scale of key monetised costs by 'main affected groups'**

There are likely to be marginal one-off costs to production companies and LAs associated with the time involved in familiarising themselves with the new process.

**Other key non-monetised costs by 'main affected groups'**

There would be on-going costs to production companies if the ratio was reduced to 1:10 due to the additional chaperones that would need to be employed. We are unable to monetise this impact due to a lack of evidence of the magnitude of change in chaperone employment.

| BENEFITS (£m) | Total Transition (Constant Price) | Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---|---|---|---|---|
| **Low** | £0.00 | | £0.00 | **£0.00** |
| **High** | £0.00 | 1 | £0.00 | **£0.00** |
| **Best Estimate** | £0.00 | | £0.00 | **£0.00** |

**Description and scale of key monetised benefits by 'main affected groups'**

No benefits able to be monetised here.

**Other key non-monetised benefits by 'main affected groups'**

The key objective of this policy is to improve the quality of care of children performing so that appropriate safeguarding elements are in place. We cannot know the exact benefits that would occur with a change in ratio. However, if safeguarding measures are improved in any way that prevents an issue arising, then there are long term benefits to that child.

**Key assumptions/sensitivities/risks** **Discount rate (%)** 3.5

Due to the nature of the sector there is a lack of available data. However, using estimates from production companies we have been able to provide estimates on a couple of scenarios, to illustrate possible costs of changing the ratio from 1:12 to 1:10. However it is not possible to verfiy all assumptions and estimates in these scenarios. We will endeavour to improve these estimates and assumptions in later stages of the IA through consultation.

**BUSINESS ASSESSMENT (Option 3)**

| Direct impact on business (Equivalent Annual) £m: | | | In scope of OIOO? | Measure qualifies as |
|---|---|---|---|---|
| **Costs: £0.0m** | **Benefits:** £0.0m | **Net:** £0.0m | Yes | IN |

# Summary: Analysis & Evidence

Policy Option 4

**Description:** Retain the current legal maximum but encourage a lower ratio of children to chaperones when appropriate

**FULL ECONOMIC ASSESSMENT**

| Price Base Year 2011 | PV Base Year 2011 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|---|---|---|---|---|---|
| | | | **Low:** £-1.59m | **High:** £-0.05m | **Best Estimate:** £-0.82m |

| COSTS (£m) | Total Transition (Constant Price) | Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---|---|---|---|---|
| **Low** | £0.05m | 1 | £0.00 | **£0.05m** |
| **High** | £1.59m | | £0.00 | **£1.59m** |
| **Best Estimate** | £0.82m | | £0.00 | **£0.82m** |

**Description and scale of key monetised costs by 'main affected groups'**

There are likely to be marginal one-off costs to production companies and LAs associated with the time involved in familiarising themselves with the new process.

**Other key non-monetised costs by 'main affected groups'**

There would be on-going costs to production companies if the encourangement lead to an increase in the number of chaperone-hours used by production companies. We are unable to monetise this impact due to a lack of evidence of the magnitude of change in chaperone employment.

| BENEFITS (£m) | Total Transition (Constant Price) | Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---|---|---|---|---|
| **Low** | £0.00 | 1 | £0.00 | **£0.00** |
| **High** | £0.00 | | £0.00 | **£0.00** |
| **Best Estimate** | £0.00 | | £0.00 | **£0.00** |

**Description and scale of key monetised benefits by 'main affected groups'**

No benefits able to be monetised here.

**Other key non-monetised benefits by 'main affected groups'**

We cannot know the exact benefits that would occur through some production companies employing more chaperones in different cases as a result of the policy. However, if safeguarding measures are improved in any way that prevents an issue arising, then there are long term benefits to that child.

**Key assumptions/sensitivities/risks** **Discount rate (%)** 3.5

Due to the nature of the sector there is a lack of available data. However, using estimates from production companies we have been able to provide estimates on a couple of scenarios, to illustrate possible costs of encouraging a lower ratio of children to chaperones when approriate. However it is not possible to verfiy all assumptions and estimates in these scenarios. We will endeavour to improve these estimates and assumptions in later stages of the IA through consultation.

**BUSINESS ASSESSMENT (Option 4)**

| Direct impact on business (Equivalent Annual) £m: | | | In scope of OIOO? | Measure qualifies as |
|---|---|---|---|---|
| **Costs: £0.1m** | **Benefits:** £0.0m | **Net:** £-0.1m | No | NA |

# Evidence Base (for summary sheets)

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At present chaperones can care for up to 12 children at a time. There have been concerns expressed that this ratio may be too high, given that chaperones are required to have sole and constant responsibility for children during performances. Additionally, given the nature of performance activities, it may be that children are not able to remain altogether in one place during a performance, for instance they may move at different times from stage to dressing rooms to rest areas. In addition to this there may be further complications when children are taken on location or are involved in trips which require them to stay overnight away from home. We plan to consult on whether the current ratio of 12 children to a chaperone is effective and practical. Government intervention is necessary to consult on whether the ratio of 1:10 is appropriate to allow chaperones to effectively protect children but not increase burdens on production companies too much, particularly smaller production companies.

**Rationale for intervention:**

If it is considered that it is impractical for a single chaperone to care for up to 12 children at any one time, then such an arrangement will compromise the safety and well-being of the children and also the ability of a chaperone to work effectively. Many organisations already operate at a ratio of smaller than 1:12 children to ensure appropriate chaperones are in place to cover different age groups, sexes and places. Government intervention is necessary, therefore, to consult on this issue and reduce the ratio, given the practical concerns that have been highlighted by a number of stakeholders.

**Policy Objective:**

To ensure that the ratio of children cared for by a single chaperone is effective, practical and safe, without placing unnecessary burdens on organisations putting on performances.

**Options:**

**Option 1**
Do nothing - current regulations remain in place and the ratio remains 1:12

**Option 2**
Remove the regulation and scrap any limits or control on maximum numbers of children per chaperone

**Option 3**
Reduce the number of children that one chaperone can look after at any one time to 10, to reflect the practical issues that have been raised with the effectiveness of the current ratio. (Preferred option)

**Option 4**
Retain the current legal maximum of children per chaperone but encourage a lower ratio of children to chaperones when appropriate.

The preferred option is option 3, which would allow the ratio to be reduced so that chaperones can provide better care to children, but without placing too many onerous burdens on organisations.

Impact of Option 1:
This is not an ideal solution as the problems described above would continue to occur.

Impact of Option 2:
In considering the option, the main concern was that safeguarding children is the primary purpose of this legislation. By abolishing all limits and control, there would be no mechanisms for standardising and enforcing a basic level of protection for child performers.

Impact of Option 3:
Current practice by those organisations involved in putting on performances indicates that the maximum limit of 12 children for a chaperone is rarely used, and it is more likely that approximately 6 children are looked after by a chaperone and possibly an even lower number in some circumstances. There is broad support amongst partners for lowering the ratio, to deal with the exceptional cases where the current maximum ratio is used, but a concern that too low a ratio may impose burdens. We therefore propose to consult to lower the ratio to 1:10 in this instance.

Impact of Option 4:
Generally, current practice is for a much lower child: chaperone ratio of approximately 6 children per chaperone. However, some productions may rely on the maximum ratio and concerns have been expressed as to whether this provides a sufficient safeguard. We are consulting on whether to reduce the ratio from 1:12 down to 1:10. However, another option may be to retain the legislative maximum of 1:12 but encourage organisations to have a lower ratio. Although, there may be a positive response to this proposal, the reality would be that the ratio would remain high and there is a concern that in some cases a chaperone would be asked to care for 12 children on the basis of resources rather than a justification on safeguarding grounds.

The preferred option is option 3, which would allow the maximum legal ratio to be reduced so that chaperones can provide better care to children, but without placing too many onerous burdens on organisations.

**Costs and Benefits:**

While regular data collections are not in place to provide robust estimates of the impacts of the policy, we have been able to produce best estimates of the likely impacts of the proposed policy using estimates from our LA and production company contacts. Unfortunately the assumptions are not all verifiable, but we will endeavour to improve these assumptions and estimates through consultation before further stages of the IA. We have assessed the likely impacts of options 2, 3 (preferred) and 4 to highlight the costs and benefits of each.

| **Option 2** | **Detail** | **Lower** | **Upper** |
|---|---|---|---|
| **Costs: one-off** | Transition costs for LAs and production companies | £0.05m | £1.59m |
| **Costs: on-going (per annum)** | Long term impacts of increased safeguarding issues | Non-monetised | Non-monetised |
| **Benefits: one-off** | Consider none to occur here | - | - |
| **Benefits: on-going (per annum)** | Reduction in the number of chaperones that need to be employed | Non-monetised | Non-monetised |
| **Option 3** | | | |
| **Costs: one-off** | Transition costs for LAs and production companies | £0.04m | £0.43m |
| **Costs: on-going (per annum)** | Increased burdens to production companies | Non-monetised | Non-monetised |
| **Benefits: one-off** | Consider none to occur here | - | - |
| **Benefits: on-going (per annum)** | Potential improvement in safeguarding measures | Non-monetised | Non-monetised |
| **Option 4** | | | |
| **Costs: one-off** | Transition costs for LAs and production companies | £0.05m | £1.59m |
| **Costs: on-going (per annum)** | Increased burdens to production companies | Non-monetised | Non-monetised |
| **Benefits: one-off** | Consider none to occur here | - | - |
| **Benefits: on-going (per annum)** | Potential improvements in safeguarding measures | Non-monetised | Non-monetised |

Option 2 (Remove the limit on maximum number of children per chaperone)

*Costs*

Transition costs are likely to fall on LAs and production companies. There will be costs to LAs to amend their current guidance and training to take account of the new system. Using data from the Annual Survey of Hourly Earnings (ASHE) from ONS we can estimate that a LA administrative staff will earn approximately £13/hr. We have made a best estimate assumption that it would take between 1 and 5

days for each LA to revise its training and guidance and formulate how it would protect safeguarding in the absence of legislation. Since we know there are 150 LAs the wage transition costs to LAs are estimated to be between £14,000-£68,000.

For transition costs for professional production companies can use the approx wage/hr of production company admin staff to derive a valuation. For the amateur sector of production companies we know that the majority of staff are volunteers. Valuing volunteer activity is methodologically challenging.[1] Approaches commonly adopted include valuing their time using the wages earned by workers perfoming similar tasks in the paid private production sector or valuation using estimates of the wages that the vounteers earn in their work for pay. A lower bound estimate of the later is given by the national minimum wage (NMW). For the professional sector of production companies we do not have adequate data to know the wages of their admin staff. However, we have provided a best upper limit estimate of £30,000 a year for earnings of admin staff for professional companies.

We estimate the amount of time it would take for production companies to familiarise themselves with the new policy. Estimates from amateur production society representatives tell us there are approximately 3000 amateur production companies. While we have attempted to use a best estimate of the number of companies here, 3000 companies was reached using estimates from society representatives, but a number of amateur production companies may not be part of a society and we might therefore have not captured them. We do not have an estimate for the number of professional companies, but have provided a best estimate assumption of approx 2000 professional production companies, giving a total of approx 5000 production companies. We hope that in the next stage of this impact assessment we can find a more representative estimate. We assume that it takes between half a day and 2 days for production companies to familiarise themselves with the new policy (best estimate assumption). This puts wage measured transition costs at between £26,000 - £1.2m.

We do not include any on-going costs for option 2. This is because we are not able to monetise the potential long term costs of increased safeguarding issues which might come about if the 1:12 maximum ratio of chaperones to children is not in place. We hope to improve quantification of safeguarding benefits at the final stage impact analysis.

*Benefits*

It is likely that removing the limit on the maximum number of children per chaperone will lead to on-going benefits to producers through a reduction in the number of chaperones they must employ. The size of the total benefit is determined by the change in employment levels of chaperones as well as the cost of the chaperones' labour. Whilst we have LA data on the number of registered chaperones and production company data on the approx pay scale of chaperones, we do not have any information to make a reasonable assessment of the total change in chaperone employment over a given period of time as a result of the policy. A number of performance industry representatives have informed us that the maximum ratio of 1:12 is used very rarely in practice. Some companies spoke of using a ratio of 1:4 or fewer. This tentatively suggests that the change in chaperone employment levels may be modest. We will endeavour to derive a robust estimate of this benefit in later stages of the IA through consultation.

<u>Option 3 (reduce the number of children that one chaperone can look after at any one time)</u>

*Costs*

There are likely to be a number of one-off costs associated with option 3, the preferred option. Transition costs are likely to be felt by both LAs and production companies as they familiarise themselves with the new process. As before, ASHE estimates show that admin staff in LAs earn approx £13/hr, there are 150 LAs and we assume that it may take between 1 and 3 days per LA to get used to the new process. We estimate wage measured costs of between £14,000- £41,000.

For production companies we again use the NMW for voluntary staff in amateur production companies as a lower limit and an upper limit of £30,000 per year for professional company staff. Estimates from

[1] See Brown, E. (1999). Assessing the value of volunteer activity. *Nonprofit and Voluntary Sector Quarterly 28 (3).*

amateur production society representatives suggests there are approx 3000 amateur production companies. While this may not capture all amateur production companies it is a best estimate given available data. We do not have equivalent estimates from professional company staff, but we have assumed a best estimate of 2000 professional companies. We also assume that between 25% and 85% of production companies have children participating (best estimate using estimates from society representatives (larger for all companies since we do not have adequate estimates from professional companies)). We assume it takes between 2 hrs and ½ a day to familiarise with the new process. This gives approximate wage costs of between £15,000 and £300,000.

The on-going costs for changing the ratio are all likely to fall on production companies as they have to increase the number of chaperones they have to meet the new ratio. Whilst we have LA data on the number of registered chaperones and production company data on the approx pay scale of chaperones we do not have adequate data to provide detailed estimates of the increased costs to production companies for the change in ratio. This is because the performance sector is so varied that it is hard to find an 'average' or even an 'average range' for the industry. However, we can look at scenarios to help estimate the costs. To do this we used a number of contacts in the industry to provide some estimates of the ratio of chaperones and the pay of chaperones currently used (although note that these are very rough estimates due to problems highlighted above). These estimates helped us to construct scenarios for attempting to estimate likely costs.

While we know that chaperones in the amateur sector are volunteers and do not get paid (information from production companies) we have estimated the opportunity cost in terms of time using estimates of chaperone wage from professional companies. The costs estimated therefore cover both professional and amateur sectors.

Production companies also informed us that the ratio of 1:12 is used very rarely, if at all. This is because a number of chaperones may be needed if the children are of different ages or sex or in a number of locations. Many companies spoke of using a ratio of 1:4 or fewer.

In order to get a feel for the on-going costs of employing more chaperones, we have produced two simple scenarios and the costs associated with each. We will endeavour to derive an overall robust estimate of this cost in later stages of the IA through consultation.

<u>Scenario 1: small production, short time</u>

- over 2 weeks, children performing 5 days a week.
- typically between 1-40 children in a small production (info from production companies)
- production company chaperones typically earn between £70 - £140 per day.

We produced sensitivity analysis to assess the likely costs of reducing the ratio to 1:11, 1:10, 1:8, 1:6 and 1:4. this was done to demonstrate the potential costs from reducing the ratio from 1:12 to 1:10 but also to show that this figure has been chosen to highlight the large costs that would be imposed on production companies if the ratio was reduced further, for example to 1:6 or 1:4. Since a number of companies would already be operating at a ratio much lower than 1:12, the lower bound is £0 since some companies may not need extra chaperones with the change in ratio.

This sensitivity analysis finds that it would cost between £0 and £1,400 per performance/production if the ratio was reduced to 1:10 for a small production of 1-40 children. However, if the ratio was reduced further the costs would increase, to £2,800 for ratio of 1:8, £5,600 for a ratio of 1:6 and £8,400 for a ratio of 1:4.

While we have an approximate figure for the number of production companies we have not provided a total estimate here since we do not have an estimate of the number of performances with children that occur per production company. This variation in the industry would misrepresent the potential costs since the majority of production companies are likely to have no additional cost if the ratio was reduced to 1:10 since they are already operating at that ratio or smaller.

Scenario 2: large production, long time

- over 6 months, children performaing 5 days a week
- typically between 40 – 150 children per performance in a large production (info from production companies) but this can be much larger, depending on the production
- as above production company chaperones typically earn between £70 - £140 per day (info from production companies)

Again, sensitivity analysis was produced to provide an estimate of the range of potential costs that could occur if the ratio was changed to 1:10 but to also highlight the large costs that would be incurred by production companies if the ratio was reduced further.

This sensitivity analysis finds that it would cost between £0 and £34,000 per performance/production if the ratio was reduced to 1:10. If the ratio was reduced further it could cost up to £101,000 for 1:8, £218,000 for 1:6 and £420,000 for 1:4.

*Benefits*

No one-off benefits are considered to occur here. However, there would likely be on-going benefits as a result of the reduction in ratio. These benefits cannot be monetised since we could not approximate the scale of the benefits as a result of the change in policy. Benefits are likely to be from a potential improvement in safeguarding measures if the chaperone:child ratio falls. The aims of this policy are to reduce the ratio to a more realistic level to improve the quality of care of children who are performing. If this is achieved and the likelihood of a safeguarding issue arising is reduced as a result of this policy then the benefits are potentially large and long term.

While a negative Net Present Value (NPV) has been found to occur as a result of the change in policy we believe that this policy would be beneficial to children if safeguarding measures are improved, to prevent unnecessary safeguarding issues arising, but without increasing the burdens on production company staff too much. For example, if a 1:6 ratio was proposed instead, the NPV would be between £-28,000 and £-2.2m, so a much larger burden on companies.

Option 4 (Retain the current legal maximum but encourage use of a lower ratio of children to chaperones where appropriate)

As with both options above there are likely to be one-off transition costs to LAs and production companies as a result of the proposed changes. Like option 2, we assume that it would take LA staff between 1 and 5 days to get used to the new process since it would be guidance/code of practice rather than a change in legislation, so LAs would need to work out what level they would like to set in their area, so is likely to take longer than option 3. This gives wage measured transition costs of between £14,000 to £68,000 for LA staff.

As above we use NMW for voluntary amateur production company staff, and £20/hr as an upper limit for professional company staff. Again we use the same assumptions as option 2 of between 0.5 to 2 days for production companies to get used to the new process since they would need to correspond to their thoughts and LA guidelines on the new chaperone:child ratio. We estimate this gives wage measured transition costs of between £26,000 and £1.2m.

In order to get a feel for the on-going costs, we have used scenario analysis as was done in option 3. We will endeavour to derive an overall robust estimate of this cost in later stages of the IA through consultation. However, since the change in the ratio would be a matter of encouraging good practice rather than a change in legislation we make an assumption that some production companies would not take on this practice and would continue to operate at a higher ratio. We make a best estimate assumption that between 20% and 80% of companies would take on the new ratio.

Scenario 1: small production, short time

- as above, this would be over 2 weeks, working 5 days a week for between 1-40 children
- wages are approx £70-140 per day

Sensitivity analysis for this option found that for a ratio of 1:10 costs could range between £0 and £1,100 per performance. This would increase if the guidance called for a lower ratio of 1:8 (upper limit of £2,200), 1:6 (upper limit of £7,800) and 1:4 (upper limit of £7,800).
Again, it is not possible to estimate the cost per production company due to the large variation in performances that each production company takes part in. But this scenario gives an estimate of potential costs as a result of the change in ratio.

Scenario 2: large production, long time

- as above, over 6 months, working 5 days a week for between 40 – 150 children
- wages approx £70-£140 per day

Sensitivity analysis for this option found that for a ratio of 1:10 costs could range from between £0 to £27,000 per performance. Costs would again be higher with lower ratios, 1:8 (upper limit of £81,000), 1:6 (upper limit of £175,000) and 1:4 (upper limit of £336,000)

*Benefits*

No one-off benefits are considered to occur here. However, there would likely be on-going benefits as a result of the reduction in ratio through spread of good practice. These benefits cannot be monetised since we could not approximate the scale of the benefits as a result of the change in policy. Benefits are likely to be from a potential improvement in safeguarding measures if the chaperone:child ratio falls. The aims of this policy are to reduce the ratio to a more realistic level to improve the quality of care of children who are performing. If this is achieved and the likelihood of a safeguarding issue arising is reduced as a result of this policy then the benefits are potentially large and long term. However, unlike with option 3 above we cannot be sure of the number of production companies that would move to the lower ratio of chaperone:child, so some safeguarding issues may remain and it could be that this option leads to higher costs if safeguarding issues are not prevented.

While a negative NPV has been found to occur as a result of the change in policy we believe that this policy would be beneficial to children if safeguarding measures are improved, if legislation was not a preferred option for this policy. However, we do believe that wider benefits could be felt from option 3 and the legislation route rather than simply encouraging good practice in the sector which could cause some production companies to use 1:12 for cost saving reasons rather than considering safeguarding issues.

**Risks and Assumptions:**

Due to the unique circumstances that chaperones operate in, it is difficult to compare their role with other professionals and, therefore, make a direct comparison to assess the correct ratio. We are also alert to the role of organisations that put on performances to be able to make judgements about the number of chaperones required for a particular production – they often will adjust the chaperone numbers to reflect the complexity and length of the production arrangements. We are careful therefore not to simply 'match' the ratio to other existing guidelines, for instance 1:6 broadly suggested for childminding. There is an assumption that organisations do have a role in making decisions in line with their overall responsibility for safeguarding children.

**Wider impact:**

This legislation will put in place equal protections for children of compulsory school ageme that are taking part in performances. We do not consider therefore that it will unfairly disadvantage anyone in terms of age, gender, disability, race, religion or sexual orientation. In addition, the purpose of reviewing

the legislation is to improve the consistency with which it is implemented across local authority areas by improving the clarity of roles and responsibilities.

**Summary and preferred option and implementation plan:**

The preferred option is number 3; we will consult on the detail of the options and ask questions which seek to establish the most effective method of working with chaperones.

**Small firm impact test:**

We do not have an adequate estimate of the proportion of small businesses in the performance sector. However, we estimate that the proposed change of reducing the child to chaperone ratio from 12:1 to 10:1 is likely to mostly be proportional since many organisations will already be operating at a ratio of less than 12:1 since 12:1 is often not practical if children are in different places during the performance, are of different age groups or different sexes. However, there may be a minority of small organisations who are impacted disproportionately, particularly those companies who employ volunteers as chaperones. However, for some micro production companies they may experience a disproportionately smaller impact since some of these companies will use fewer than 10 children in their performances currently, so would not be affected by the change in ratio. Overall, the other proposed changes presented in this impact assessment significantly balance out this likely small increase in burden for a small number of small companies.

**Micro business exemptions:**

We do not envisage that micro businesses should be exempt from this legislation. The legislation exists to offer protections to children involved in performances and we consider that all children should be offered those protection regardless of the size of the firm that they are working with. For example, one of the requirements of an organisation working with children is to ensure that if a child is to miss school as a result of a performance, they must make arrangements for alternative provision for that child. It does not follow that a child can only be offered education provision if the firm that they are working with is of a certain size. Similarly, a condition of having a licence is that a chaperone is appointed to take care of the child during production (to ensure they are safe, work within legal framework for hours and breaks, understand what is required of them and object to anything which may harm the welfare and well being of a child), again, there is no reason that a child should be denied these safeguarding measures owing simply to the size of the organisation that they are working with.

**One In, One Out:**

Due to the nature of this policy there may be a slight increase in burdens for a small proportion of small production companies who currently operate a 12:1 child to chaperone ratio, particularly if volunteers. The proposed change would require the production company to find another chaperone to meet the 10:1 ratio. There is therefore a small IN burden generated from this policy.

However, when the reduction in burdens is taken into account from the other annexes of this IA the overall burdens to production companies are likely to be OUTs.

**Post Implementation Review Plan**

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| **Basis of the review**<br>There is a child performance advisory group made up of industry, child welfare professionals and charities and the National Network for Children in Entertainment and Employment. We are working closely with this group through the consultation period and will continue to do so during implementation, monitoring and reviewing following the commencement of the reforms.<br>There has been no commitment to conduct a post implementation review as proposals are yet to be consulted on, but we anticipate that a review would be appropriate once new arrangements have had sufficient time to bed in (5 years). |
| **Review Objective**<br>The objective of the PIR would be to check that the new legislative framework was working effectively to ensure that appropriate safeguarding arrangements are consistently made to protect children who take part in performances, and that their opportunities to do so are not constrained by unnecessary bureacratic processes and requirements. |
| **Review approach and rationale**<br>The approach would be to conduct a scan of stakeholder views. |
| **Baseline**<br>Current day practice and stakeholder views (as set out in policy review report) |
| **Success criteria**<br>1) effective safeguarding of children who take part in performances<br>2) stakeholder views |
| **Monitoring Information arrangements**<br>We do not plan to collect data which would represent a new burden to LAs or production companies. |