

Title: Extending Statutory Time Off Work to Volunteer Monitors IA No: MoJ002/2018 RPC Reference No: Lead department or agency: Ministry of Justice Other departments or agencies: Department for Business, Energy and Industrial Strategy; Scottish Government	Impact Assessment (IA)			
	Date: 24/04/2018			
	Stage: Final			
	Source of intervention: Domestic			
	Type of measure: Secondary Legislation			
Contact for enquiries: Oscar.Rushton@justice.gov.uk				

Summary: Intervention and Options	RPC Opinion: N/A
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Cost of Preferred (or more likely) Option				
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANDCB in 2014 prices)	One-In, Three-Out?	Business Impact Target Status
£5.1m	£4.4m	£0.51m	Not in scope	Non qualifying provision

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

Lay Observers (in England and Wales), Independent Prison Monitors (in Scotland) and Independent Monitoring Boards (IMBs) are lay monitors who help to monitor conditions of those in custody. At present, membership of each of these groups is skewed toward those in older age groups, and there is also a need to expand the membership of the Lay Observers. However, while IMBs for prisons are already included in provision for statutory time off work, IMBs for the Immigration Detention Estate (IDE) (known as Visiting Committees in legislation), Lay Observers and Independent Prison Monitors are not. The Government believes this acts as a disincentive for younger people, who are more likely to be in full-time employment, to act as lay monitors. Government intervention is required to increase Lay Observer numbers and, for those with full time employment who tend to be younger, to provide fairer access to membership for all groups.

What are the policy objectives and the intended effects?

The policy objectives are to increase diversity, to encourage applications to each group of monitors and to remove disparity regarding provision for time off work between groups of volunteer prison monitors. Amending the Employment Rights Act (ERA) 1996 to include Lay Observers, Independent Prison Monitors, IDE IMBs, and IDE IMBs for short-term holding facilities (the latter two groups are referred to below together as IDE IMBs) in provision for statutory time off work to perform their public duties should encourage younger applicants to join these groups as younger applicants are more likely to be full-time employed and therefore deterred from applying due to the need to take time off work. This will help to increase membership for the Lay Observers and improve the diversity (particularly in terms of age) for all the groups.

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

This Impact Assessment considers two policy options:

- Option 0/Do Nothing: Maintain the current entitlements for statutory time of work for each group of volunteer prison monitors;
- Option 1: Amend the Employment Rights Act 1996 (s.50.) by SI to include Lay Observers, Independent Prison Monitors and IDE IMBs in provision for statutory time off work to perform their public duties.

The Government's preferred option is Option 1 as this best meets the policy objectives.

Will the policy be reviewed? It will be reviewed. If applicable, set review date: 10/2023				
Does implementation go beyond minimum EU requirements?			N/A	
Are any of these organisations in scope?			Micro No	Small No
			Medium No	Large No
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: 0	Non-traded: 0

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 Minister: _____ Rory Stewart _____ Date: _____ 25/04/18 _____

Summary: Analysis & Evidence

Policy Option 1

Description: Amend the Employment Rights Act 1996 (s.50) by SI to include Lay Observers, Independent Prison Monitors and IDE IMBs in provision for statutory time off work to perform their public duties.

FULL ECONOMIC ASSESSMENT

Price Base Year 2018	PV Base Year 2018	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: £5.1m

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate		0.59	5.1

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

The following monetised costs are associated with this option: approximately £510k per year to UK business in the form of lost work days; approximately £83k per year to government from additional Financial Loss Allowance payable to Lay Observers and IMB members in the IDE, and the additional Travel and Subsistence costs payable to Lay Observers. £68.5k of this will be met by the MoJ budget while the remaining £14.5k will be met by the Home Office.

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

None.

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

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

None

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

Lay Observers, Independent Prison Monitors and IDE IMBs will be granted statutory (unpaid) time off work to perform their duties so helping to remove the deterrent to applicants with full-time employment and removing the disparity in entitlement with prison IMBs. This will also help ensure that the characteristics of volunteer monitors more closely resemble that of those in custody, so leading to a service which is more responsive to their issues and concerns. An increase in the number of such monitors will also mean that prisoners and other detained persons will receive increased monitoring coverage. Finally, the diversity profiles of public appointments in the MoJ, Home Office and HMIP Scotland will be improved as a result of this SI.

Key assumptions/sensitivities/risks

The main assumptions relate to the likely wage rates of those in full-time employment, the number of people in such work who will be likely to volunteer for such roles and the number of days per year they will need to perform their duties.

Discount rate

0

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs:	Benefits:	Net:	

Evidence Base (for summary sheets)

A. Background

1. To ensure that the conditions experienced by those in the custody of the state are appropriate, a system of independent voluntary monitoring has been established. This SI will affect four groups of volunteer monitors who perform this important function:

The Lay Observers

2. Lay Observers are all volunteer public appointees who monitor conditions for detained persons transported or held by escort and custody contractors. They operate in England and Wales only and are an independent scrutiny body sponsored by the Ministry of Justice (MoJ). There are currently around 40 Lay Observers, well below the 130 desired by the Chair of the Lay Observers National Council. Lay Observers take around 24 days per year to perform their duties.

The Independent Monitoring Boards

3. Independent Monitoring Boards (IMBs) monitor conditions in:
 - prisons in England and Wales; and
 - the IDE (Immigration Detention Estate) throughout the UK (including short-term holding facilities (STHF)).
4. The SI will affect two groups of IMBs: IMBs in the Immigration Detention Estate and IMBs in the Immigration Detention Estate for short-term holding facilities. These two groups are referred to together below as IDE IMBs. Aside from the salaried National Chair, IMB members are volunteer public appointees. With around 1400 members, the IMBs have one of the larger volunteer workforces in the criminal justice system.
5. In Spring 2017, the Justice Select Committee recommended that IMBs be given additional resources to cope with an expected rise in complaints. Similarly, the Shaw Review in January 2016 recommended that IMB monitoring in the IDE be made more robust.¹

The Independent Prison Monitors

6. Independent Prison Monitors are a volunteer group who monitor conditions in Scottish prisons. They are part of HMIP Scotland, who are an independent body funded by the Scottish Government. There are currently around 140 Independent Prison Monitors, with numbers expected to rise to 155 following a current recruitment campaign. Members require up to 20 days off work per year to perform their duties.

Diversity Issues

7. The Commissioner for Public Appointments has asked the MoJ to look at how it could improve the diversity profile of MoJ's public appointments. For all of the above groups, there are concerns about the current levels of diversity. For example:
 - While age data is only available for a third of Lay Observers, this indicates that 81% of them are aged over 55.
 - IMB membership has a large age imbalance towards older age groups. 79% of recent appointees were over 35, and 42% over 55. Given its size, the IMB diversity profile has a big effect on MoJ and the Government's diversity profiles for public appointees.

¹ 'Review into the welfare in detention of vulnerable persons', 14 Jan 2016

- Her Majesty's Inspectorate of Prisons for Scotland, (HMIPS) estimates that a third of Independent Prison Monitors are retired. HMIPS are concerned about the imbalanced diversity profile of the organisation, particularly in terms of age.
8. This contrasts with the prison and IDE population which is generally young, with 35% under 30 and 85% under 50. Therefore, we expect that lowering the average age of IMB members, Independent Prison Monitors and Lay Observers will bring their age profile more in line with the people they are monitoring.
 9. The Employment Rights Act 1996² (ERA) grants statutory time off work to various groups of public appointees to perform their duties. At present, IMBs monitoring prisons are included in this provision but IMBs monitoring the IDE (IDE IMBs), Lay Observers and Independent Prison Monitors are not.
 10. Because these groups of volunteer monitors are not included in the ERA, we believe that being in full-time employment is a disincentive to apply to these bodies. The Government believes this contributes to their imbalanced diversity statistics (particularly in terms of age) and their low number of members. Therefore, extending the provision for statutory time off work to Lay Observers, Independent Prison Monitors and IDE IMBs should open up the pool to younger applicants as they are more likely to be non-retired and to be in full-time employment.
 11. This Impact Assessment (IA) assesses the impact of including the groups above in the ERA's provision for statutory, unpaid time off work to perform their public duties. This would be done via a Statutory Instrument (SI).

B. Policy Rationale and Objectives

12. The conventional economic rationales for government intervention are based on efficiency and equity arguments. The Government may consider intervening if there are failures in the way markets operate (e.g. monopolies overcharging consumers) or failures with existing government interventions (e.g. waste generated by misdirected rules). The proposed new interventions should avoid creating a further set of disproportionate costs and distortions. The Government may also intervene for equity (fairness) and re-distributional reasons (e.g. to reallocate goods and services to more needy groups in society).
13. The principal policy rationale behind the proposed reforms is equity. Extending the provisions of the ERA would increase access to membership to the three groups of monitors and increase fairness and consistency by ensuring that statutory time off work is fairly provided to these groups in addition to prison IMBs, who currently provide a very similar service to the Lay Observers, Independent Prison Monitors and IDE IMBs. Employers will be expected to grant time off work unless there is a good reason not to do so.
14. Offering statutory time off work to Lay Observers, Independent Prison Monitors and IDE IMBs will help to encourage new applicants to help boost these numbers. By increasing the numbers of monitors, the proposed SI would increase the monitoring capability of each group.
15. By attracting younger applicants to volunteer monitor roles, the proposed SI would bring the characteristics of the monitoring population more in line with the prison population. Prisoners may be more likely to engage with monitors who are of similar age to themselves. Monitors may better understand problems faced by prisoners of similar age to themselves. This would benefit those in custody, since poor conditions would be more likely to be noticed and reported, and subsequently addressed.

² <http://www.legislation.gov.uk/ukpga/1996/18/section/50?type=Finjan->

C. Affected Stakeholder Groups, Organisations and Sectors

16. The options assessed in this IA will primarily affect the following groups:

- Volunteer Custody Monitors not currently covered by the ERA (Lay Observers, Independent Prison Monitors and IDE IMBs);
- Employers of members of the above groups;
- The Ministry of Justice (MoJ) and the Home Office; and
- Detained persons in custody.

D. Description of Options Considered

17. The following options are assessed in this IA:

- **Option 0/Baseline:** Lay Observers, Independent Prison Monitors and IDE IMBs would remain outside the provision for statutory time off work in the Employment Rights Act 1996.
- **Option 1:** The Employment Rights Act 1996 is extended to grant statutory time off work to Lay Observers, Independent Monitors and IDE IMBs. This is the Government's preferred option.

Option 0/Baseline: No statutory time off work for Lay Observers, Independent Prison Monitors and IDE IMBs

18. Under this option, the current coverage of the ERA would remain unchanged. Therefore, an unjustified disparity in provision would remain between prison IMBs and Lay Observers/Independent Prison Monitors/IDE IMBs for which there is no justification in terms of role or administration.
19. A failure to address this disparity could also mean that the Lay Observers could struggle to increase their membership to the desired level and their numbers could even fall to below an acceptable level. This option would not help improve the diversity profile of MoJ's public appointments, particularly in terms of age.
20. The Government risks criticism for the above, at a time when custodial safety and conditions are high on their agenda and the Commissioner for Public Appointments is keen for the MoJ to improve its diversity profile.

Option 1: Grant statutory time off work to Lay Observers, Independent Prison Monitors and IDE IMBs

21. Under this option, the Government would amend the Employment Rights Act 1996³ to:

- i. Include Lay Observers and Independent Prison Monitors in its provision for receipt of statutory time off work to perform public duties; and
- ii. Include IMB members for the IDE and IMB members for the IDE short-term holding facilities specifically (rather than for a prison) in this same provision.

Employers will be expected to grant time off work unless there is a good reason not to do so.

The ERA is owned by the Department for Business, Energy and Industrial Strategy (BEIS). They are content for the MoJ to lay this SI since it concerns volunteer custody monitoring groups.

22. The Government believes this amendment would:

³ <http://www.legislation.gov.uk/ukpga/1996/18/section/50?type=Finjan->

- i. Encourage needed applications for the Lay Observers from those with full-time employment for whom the need to miss work to be a Lay Observer is a deterrent.
 - ii. Encourage applications from younger candidates, who are more likely than the elderly and retired to hold full-time employment, to the Lay Observers, Independent Prison Monitors and IDE IMBs, thereby balancing the diversity profiles of these groups.
 - iii. Bring provision for IDE IMBs in line with that for prison IMBs – since we believe the current disparity to be unintentional.
 - iv. Bring provision for Lay Observers and Independent Prison Monitors in line with that for prison IMBs – since the roles are very similar and it is fair that they should be similarly provided for.
23. Option 1 will increase equality of access to three groups of monitors by encouraging applications from younger applicants, who are more likely to have full-time employment. This will also help to improve the diversity profile of the MoJ, the Home Office and HMIP Scotland's public appointments. It will help bring the diversity profile of these groups more in line with the communities from which they are drawn and with those in custody they are monitoring (in terms of age in the latter case).
24. Option 1 will also address the discrepancy between provision for statutory time off work between groups of voluntary monitors performing similar roles. Option 1 will allow for greater monitoring coverage of the prison and immigration detention estates and Prison Escort and Custody Services (PECS), which will help the Government identify areas for improvement and thereby improve conditions for detained persons.
25. Detained persons transported or held by escort and custody contractors in England and Wales, Scottish prisoners and detained persons in the UK's IDE could have their monitoring coverage increased by this option. We believe this would be welcomed by the UK's National Preventive Mechanism, which was established in 2009 to strengthen the protection of people in detention through independent monitoring.

E. Cost and Benefit Analysis

26. This IA follows the procedures and criteria set out in the IA Guidance and is consistent with the HM Treasury's Green Book.
27. Where possible, this IA identifies both monetised and non-monetised impacts on individuals, groups and businesses in England and Wales with the aim of understanding what the overall impact on society might be from the proposals under consideration. IAs place a strong focus on the monetisation of costs and benefits. However, there are often important impacts that cannot sensibly be monetised. These might be impacts on certain groups of society or some data privacy impacts, that are positive or negative. Impacts in this IA are therefore interpreted broadly, to include both monetisable and non-monetisable costs and benefits, with due weight given to those that are non-monetisable.
28. The costs and benefits of the proposal are compared to Option 0, the do nothing or 'baseline' case. As the 'baseline' option is compared to itself, the costs and benefits are necessarily zero, as its Net Present Value (NPV).
29. The annual costs and benefits are presented in steady state throughout this IA. All estimates, unless stated otherwise, are annualised figures in 2018 prices.

Option 1: Grant statutory time off work to Lay Observers, Independent Prison Monitors and IDE IMBs

Monetised Costs of Option 1

Employers

30. The main monetised costs of Option 1 are likely to be the costs to the employers of the output lost on the additional days on which full time employees act as volunteer prison monitors. This cost has been calculated using the following assumptions:

The Number of Days of Statutory Time Off Work

- At present there are 40 Lay Observers and the expected number is 90. The Secretariat (the MoJ body that administers the IMBs and Lay Observers) estimates that 30% of these would make use of the provision for statutory time off work. This suggests option 1 would apply to 27 Lay Observers. Each Lay Observer is assumed to take up to 24 days off work a year to perform their duty.
- There are 120 IDE IMB members, which is not expected to increase significantly. The Secretariat estimates that 30% of these would make use of the provision for statutory time off work. This suggests that option 1 would apply to 36 IDE IMB members. Each IDE IMB member is assumed to take up to 36 days off work a year to perform their duty.
- At present there are 140 Independent Prison Monitors and, following the current recruitment campaign, this is expected to rise to 155. HMIP Scotland estimates that 30% of the expected 155 Independent Prison Monitors are likely to be retired and so will not require time off work. This suggests option 1 would apply to 108.5 Independent Prison Monitors. Each Independent Prison Monitor is assumed to take up to 20 days off work a year to perform their duty.
- Multiplying the number of people affected by the expected uptake in the provision for statutory time off work and the number of days each person is expected to perform their duties suggests option 1 will lead to a potential increase of 4,114 days of paid leave per year.⁴

The Cost of the Additional Number of Days of Statutory Time Off Work

- The median UK weekly salary for full time employees is £550⁵ giving a median annual full time UK salary of £28,600. On the assumption that there are 230 working days per year (after adjusting for weekends, periods of paid leave and bank holidays), this gives a median daily UK wage of £124.25. Multiplying this daily figure by the potential number of days of paid leave gives a total cost to UK business of Option 1 of approximately £510k per annum.

31. In summary, the expected cost of Option 1 to employers whose staff will be affected by the extension of the ERA is £510k per year from the output lost on the additional working days.

32. It is possible that Lay Observers, Independent Prison Monitors and IDE IMB members are more highly paid than the average UK employee, which would raise the above estimate.⁶ It is likely, however, that many current Lay Observers, Independent Prison Monitors and IDE IMB members are retired and would not need to take paid time off work (given their current exclusion from this provision and their high average age). However, to assess the impact of a change in the main assumptions, an alternative approach to costing this option is included in section F below.

MoJ and the Home Office

33. Lay Observers and IMB members (for both prisons and the IDE) can claim up to £1,214 per year in Financial Loss Allowance (FLA) from the IMB and Lay Observers Secretariat, funded by MoJ and the Home Office, for lost earnings due to time taken off work to perform their duties. Currently only

⁴ Assuming all Lay Observers and IDE IMB members will be full-time employed and make all their visits during working hours.

⁵ Office for National Statistics, *Annual Survey of Hours and Earnings: 2017 provisional and 2016 revised results*. (2017), p.4. Our proposal affects GB only while this figure is for the whole UK. Given the generally weaker economy of Northern Ireland compared to the rest of the UK, GB's median salary is probably a little higher than this figure.

⁶ Due to their high age, for example.

around 1% of IMB members⁷ and no Lay Observers claim FLA, and the total annual cost to the MoJ is £8.5k.

34. Option 1 aims to attract working people, who will reasonably be expected to claim more FLA, so it has been assumed that the uptake of FLA rises from 1% to 10% for both groups. Multiplying the expected total number of Lay Observers and IDE IMB members by this increased percentage suggests an increase in FLA costs of approximately £25,500 (£11,000 for Lay Observers, to be paid by the MoJ and £14,500 for IDE IMB members, to be paid by the Home Office).
35. Lay Observers can claim Travel and Subsistence expenses from the MoJ. The average amount claimed per Lay Observer each year is £1,150. Based on the current membership of 40 Lay Observers, current Travel and Subsistence costs are estimated at around £46,000. Increasing membership to 90 Lay Observers would therefore entail an estimated £57,500 increase in costs to the MoJ.
36. In summary there will be an expected cost of £68,500 per year to the MoJ (in the form of increased FLA and Travel and Subsistence costs for Lay Observers, to be taken from the IMB and Lay Observer Secretariat budget), and an expected £14,500 cost per year to the Home Office (in the form of increased FLA for IDE IMBs). This gives a total annual cost to Government of around £83k.
37. Currently, only 14 out of around 1400 IMB members and 0 out of 40 Lay Observers claim FLA, costing £8.5k in total (this includes the cost for prison IMBs too – the split between prison and IDE IMBs is not known, but the ratio of member numbers is about 1:9). This proportion could rise if more full-time employed individuals become members. This is what the SI aims to achieve, but it is unlikely to rise to anywhere near the full cost included in the high cost estimate below.
38. Lay Observers already have their Travel and Subsistence expenses paid for. Travel costs per Lay Observer should decrease as membership increases since each will have a smaller area to cover, which could lower the above estimate a little.

Benefits of Option 1

Volunteer Monitoring Groups

39. Improving equality of access to membership of the Lay Observers, Independent Prison Monitors and IDE IMBs would strengthen the integrity of these organisations. It would also help them to fully represent the diversity profile of the communities in which they are based as they are meant to.
40. This SI would increase equality of access to IMB membership with the potential to strengthen membership numbers and improve the image of IMBs as relevant, robust and fair organisations.
41. By encouraging applications from younger applicants, while not discouraging those from older applicants, Option 1 should help to increase Lay Observer numbers as the organisation's Chair recommends.
42. Option 1 would bring provision of time off work for Lay Observers in line with that for IMBs. This is justified since the two organisations operate in a similar manner.
43. Option 1 would close the disparity in provision for time off work between prison IMBs and Independent Prison Monitors, which carry out the same role in monitoring prison conditions in England and Wales and Scotland respectively.

People Detained in Custody

⁷ The split between prisons and IDE IMB members here is not known, although the ratio between total membership of each group is about 9:1.

44. Part of the IMB, Independent Prison Monitor and Lay Observer role is to listen to complaints from those in custody. Those in custody may feel more open to voicing concerns to those monitoring them if they are of a similar age and can better identify with them.
45. Increasing membership of these groups allows for greater monitoring coverage. This helps to identify problems in custody, giving the Government the chance to remedy them.

Net Impact of Option 1

46. The total annual monetised costs to business and Government is £593k. Over a 10-year appraisal period, this gives a NPV of £5.1m. However, this does not include the value of the non-monetised benefits described above which are expected to be positive.

F. Risk and Sensitivity Analysis

47. The above estimate of the costs of the preferred option are based on a number of assumptions. A high estimate for the cost of Option 1 might be based on the following assumptions (those which remain the same as in paragraph 30 are not shown, only those which differ):
- The expected maximum number of Lay Observer numbers increases to 130.
 - As all Lay Observers, IDE IMB and Independent Monitors require time off work to perform their duties, this means the total number of paid days of leave would be 10,540 (130 Lay Observers x 24 days, plus 120 IDE IMB members x 36 days, plus 155 Independent Prison Monitors x 20 days).⁸
 - Given our assumptions concerning daily wage rates, this would give a total cost to UK business of lost work days of £1,310,600.
 - The additional cost of FLA would also rise to £303,500 (£1,214 per year x 130 Lay Observers plus 120 IDE IMB Members).
 - Based on current costs, the estimated for Travel and Subsistence for 130 Lay Observers would increase to £143,000.
 - The total annual cost to UK business and government would therefore rise to £1,757,100.
48. For the reasons outlined above we consider this high estimate to be unrealistic, particularly with regard to the high number of new Lay Observers and high uptake of FLA it assumes. We therefore believe that the total annual cost figure of £593k to business and Government (paragraph 30) should be considered as being a more realistic estimate.

G. Wider Impacts

49. Please see the attached Equality Statement (**Annex A**) for a summary of our proposal's wider impacts on affected groups.
50. Option 1 may have an environmental impact since it would lead to an increase in journeys by private and public transport to detention facilities for monitoring purposes. However, this would be offset in part since monitors would not be making journeys to work on those days. Additionally, as Lay Observer numbers increase, the area that needs to be covered by each Lay Observer would decrease. This means Lay Observer journeys would not need to be so long which would further offset any environmental impact.

H. Enforcement and Implementation

⁸ Assuming all Lay Observers and IDE IMB members will be full-time employed, and will make all their visits during working hours.

51. The proposed SI would come into force in Great Britain. Lay Observers only operate in England and Wales, so this aspect of the proposal will have no force in Scotland. Independent Prison Monitors operate only in Scotland, so this aspect of the proposal will have force only in Scotland. IDE IMBs operate throughout the UK, so this aspect of the proposal will have force in Scotland and England and Wales. Northern Ireland may pursue similar legislation of their own in the future.

I. Monitoring and Evaluation

52. Option 1 includes provision for review. The Secretary of State must carry out a review and publish a report setting out its conclusions: initially, within five years of the date the SI comes into force; and subsequently at intervals not exceeding five years.

J. Business Impact Target

53. This measure has been certified as a low cost regulation and is a Non Qualifying Regulatory Provision (NQRP) as it falls below the +/-£5m threshold for the Equivalent Annual Direct Cost to Business (EANDCB). It is therefore out of scope of the Business Impact Target.