Guidance

Unregistered social care: how we apply monetary penalties

Updated 3 November 2026

Applies to England

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This policy explains when we impose monetary penalties (fines) against people running or managing unregistered social care, and how we determine the amounts of those fines.

Introduction

This policy should be read alongside Ofsted's social care enforcement policy.

An establishment or agency that provides children's social care must be registered with Ofsted.

It is illegal to run unregistered provision, and to do so is committing an offence.

If we are satisfied beyond reasonable doubt that a person or organisation (incorporated or unincorporated) is running unregistered social care provision that should be registered with us, we have the power to impose a monetary penalty (fine).

This page explains the process by which, in these circumstances, we determine the amount of the fine.

> When applying this process, we follow the general principles of how we regulate children's social care, as set out in the 'Purpose and principles of enforcement' section of our social care enforcement policy

In deciding the amount of a fine, we must consider:

- the nature and seriousness of the failure to comply, or the act or omission, for which the penalty is to be imposed
- whether there are any factors that make the offence less serious ('mitigating factors') or more serious ('aggravating factors')
- whether the person or organisation has previously failed to comply with, or has committed offences under, the law and regulations that govern social care
- the likely impact of the fine on the person or organisation

We cannot impose a fine that is greater than a court could impose. Any fine we issue must be imposed no more than 6 months after we (as the prosecutor) have gathered sufficient evidence to confirm that an offence has been committed, and no more than 3 years after the relevant act or omission occurred.

This does not apply to supported accommodation or residential holiday schemes for disabled children.

Legal authority

The legal standards for children's social care, including children's homes, are set out in the Care Standards Act 2000.

Section 11 of the act states that it is an offence for a person or organisation to carry on or manage such an establishment or agency without being registered.

Section 30ZC(2) gives Ofsted the power to impose fines in the event of such an offence being committed. The act refers to His Majesty's Chief Inspector of Education, Children's Services and Skills (CIECSS). This is the former abbreviated title of His Majesty's Chief Inspector of Education, Children's Services and Skills (now HMCI).

Schedule 1A, paragraph 3(7) gives us the power to cancel or vary a penalty notice by serving a cancellation or variation notice.

Imposing a fine on an organisation

By 'organisation', we mean a company, partnership, sole trader, local authority, health authority or charity.

Once a decision has been made to impose a fine on an organisation, we calculate and collect the amount using an 8-step process:

- Step 1: determining the offence category
- Step 2: determining the starting point and category range for the fine
- Step 3: removing the benefits of offending
- Step 4: making fines proportionate
- Step 5: issuing the Notice of Intention
- Step 6: submitting written representations and/or the financial means form
- Step 7: Fine Advisory Panel decision

- Step 8: appeals and collection of fines

Step 1: determining the offence category

To determine which category the offence falls into, we consider the nature and seriousness of the offence, taking into account the level of culpability of the offender(s) and the harm caused, and/or the risk of harm, to children.

The tables below explain how we define the level of culpability and the level of harm. The categories are on a sliding scale, and there is inevitable overlap between adjacent categories. Where an offence does not fall squarely into one category, we may consider the weight of individual factors in determining the appropriate category.

Dealing with a risk of harm involves taking into account both how likely it was that harm would occur, and how serious the harm could have been. We consider risk of harm as less serious than that harm occurring. Where the offence has caused risk of harm but no actual harm (or less serious harm), we will normally move down to the next category.

Level of culpability	**Description**
Very high	Offender(s) intentionally breached or flagrantly disregarded the law.
High	Offender(s) fell far short of the appropriate standard – for example: - ignoring concerns raised by regulators or others - allowing offences to continue over a long period of time - serious and/or systemic failure within the organisation
Medium	Offender(s) fell short of the appropriate standard in a way that falls between ‘high’ and ‘low’ culpability.
Low	Offender(s) fell short of the appropriate standard but not by far – for example because: - appropriate efforts were made to register the setting(s)

- failings were minor and occurred as isolated incident(s)

Level of harm	Description
Category 1	A child/children suffered harm.
Category 2	A child/children were placed at substantial risk of harm.
Category 3	A child/children were placed at increased risk of harm.
Category 4	A child/children were placed at low risk of harm.

Step 2: determining the starting point and category range for fines

In determining the size of the fine, we take into account evidence we have about the fees relating directly to the offence(s) that were paid to the organisation.

The total amount of fees relating to the offence is used to determine the size of the organisation (large, medium, small or micro). Then we use the level of culpability and harm to reach a starting point for a fine, as set out in the tables below.

Where we are unable to gather evidence of fees paid to the organisation by local authorities, we use alternative evidence and a full consideration of the circumstances to make a reasonable estimate of fees.

Normally, only information relating to the organisation will be relevant, unless it is demonstrated that the resources of a linked organisation are relevant and can properly be considered.

We are entitled to make reasonable estimates of the offender's means from evidence and from all the circumstances of the case.

Band A: large organisation
Fees paid (or equivalent) to the offender(s): £50 million and over.

Culpability: very high

Harm category	Starting point	Range
Category 1	£200,000	£100,000–£500,000
Category 2	£195,000	£95,000–£440,000
Category 3	£190,000	£92,000–£420,000
Category 4	£185,000	£90,000–£400,000

Culpability: high

Harm category	Starting point	Range
Category 1	£180,000	£88,000–£380,000
Category 2	£175,000	£85,000–£360,000
Category 3	£170,000	£82,000–£340,000
Category 4	£165,000	£80,000– £320,000

Culpability: medium

Harm category	Starting point	Range
Category 1	£160,000	£78,000–£300,000
Category 2	£155,000	£75,000–£290,000
Category 3	£150,000	£72,000–£280,000
Category 4	£145,000	£70,000–£260,000

Culpability: low

Harm category	Starting point	Range
Category 1	£140,000	£68,000–£240,000
Category 2	£135,000	£63,000–£220,000
Category 3	£130,000	£60,000–£210,000

Category 4	£125,000	£58,000–£200,000

Band B: medium organisation

Fees paid (or equivalent) to the offender(s): between £10 million and £50 million.

Culpability: very high

Harm category	Starting point	Range
Category 1	£150,000	£80,000–£350,000
Category 2	£145,000	£75,000–£340,000
Category 3	£140,000	£70,000–£330,000
Category 4	£135,000	£65,000–£320,000

Culpability: high

Harm category	Starting point	Range
Category 1	£130,000	£63,000–£310,000
Category 2	£125,000	£60,000–£300,00
Category 3	£120,000	£58,000–£290,000
Category 4	£115,000	£55,000–£280,000

Culpability: medium

Harm category	Starting point	Range
Category 1	£100,000	£52,000–£270,000
Category 2	£95,000	£50,000–£260,000
Category 3	£90,000	£48,000–£240,000
Category 4	£85,000	£45,000–£220,000

Culpability: low

Harm category	Starting point	Range

Category 1	£80,000	£43,000–£190,000
Category 2	£75,000	£40,000–£170,000
Category 3	£70,000	£38,000–£150,000
Category 4	£65,000	£35,000–£130,000

Band C: small organisation
Fees paid (or equivalent) to the offender(s): between £2 million and £10 million.

Culpability: very high

Harm category	Starting point	Range
Category 1	£120,000	£60,000–£300,000
Category 2	£115,000	£55,000–£290,000
Category 3	£110,000	£50,000–£280,000
Category 4	£105,000	£45,000–£270,000

Culpability: high

Harm category	Starting point	Range
Category 1	£100,000	£60,000–£260,000
Category 2	£95,000	£55,000–£250,000
Category 3	£90,000	£50,000–£240,000
Category 4	£85,000	£45,000–£230,000

Culpability: medium

Harm category	Starting point	Range
Category 1	£65,000	£40,000–£210,000
Category 2	£60,000	£35,000–£200,000

Category 3	£55,000	£30,000–£190,000
Category 4	£50,000	£25,000–£180,000

Culpability: low

Harm category	Starting point	Range
Category 1	£45,000	£20,000–£170,000
Category 2	£40,000	£15,000–£160,000
Category 3	£35,000	£10,000–£120,000
Category 4	£30,000	£5,000–£90,000

Band D: micro organisation
Fees paid (or equivalent) to the offender(s): not more than £2 million.

Culpability: very high

Harm category	Starting point £	Range £
Category 1	£90,000	£50,000–£210,000
Category 2	£85,000	£45,000–£200,000
Category 3	£80,000	£40,000–£190,000
Category 4	£75,000	£35,000–£180,000

Culpability: high

Harm category	Starting point	Range
Category 1	£70,000	£33,000–£160,000
Category 2	£65,000	£30,000–£150,000
Category 3	£60,000	£27,000–£140,000
Category 4	£55,000	£25,000–£130,000

Culpability: medium

Harm category	Starting point	Range
Category 1	£50,000	£22,000–£120,000
Category 2	£45,000	£20,000–£110,000
Category 3	£40,000	£18,000–£100,000
Category 4	£35,000	£15,000–£90,000

Culpability: low

Harm category	Starting point	Range
Category 1	£30,000	£12,000–£80,000
Category 2	£25,000	£10,000–£70,000
Category 3	£20,000	£8,000–£60,000
Category 4	£15,000	£5,000–£50,000

Aggravating and mitigating factors

We take into account anything that increases the seriousness of the offence ('aggravating factors') or reduces it ('mitigating factors'). The table below contains a list of factors relating to the context of the offence and to the offender(s). This list is not exhaustive.

We will consider whether any combination of these, or other relevant factors, should result in an upward or downward adjustment from the starting point of the fine. In particular, relevant recent convictions and/or a history of non-compliance are likely to result in a substantial upward adjustment. In some cases, having considered these factors, it may be appropriate to move outside the category range.

Aggravating factors

Aggravating factors include:

- previously failing to comply with or committing offences under part 2 of the Care Standards Act 2000 or regulations made under it
- repeated incidents of offending or offending over an extended period of time

- deliberately concealing the illegal nature of any activity
- ignoring risks identified by employees or others
- children placed in unregistered provision who were subject to deprivation of liberty (DoL) orders
- evidence of wider/community impact
- evidence that the offence was committed for financial gain
- obstruction of justice in any context

Mitigating factors
Mitigating factors include:

- having no previous convictions or no relevant/recent convictions
- evidence of steps taken to remedy problem
- expressing remorse
- evidence that the offence is a one-off and not commercially motivated
- little or no financial gain
- self-reporting, cooperating and accepting responsibility
- good character and/or exemplary conduct

After we have determined the offence category and considered any aggravating and mitigating factors, we will then consider:

- whether the fine amount as a whole meets, in a fair way, the objectives of punishment, reduction of crime (including reduction by deterrence), protecting the public and removing any gains from the offence step 3
- whether the proposed fine amount is proportionate to the means of the offender step 4

Step 3: removing the benefits of offending

We consider removing any economic benefit derived by the offender(s) through the offence, including:

- regulatory costs they have avoided (such as registration and annual registration fees)

- any gain they have made as a direct result of the offence

The amount of economic benefit derived may result in an adjustment to the fine amount arrived at in step 2.

Where there is no clear evidence about the level of costs avoided, we will estimate these based on published information – for example, the cost of applying to register a children's home and subsequent registration annual fees. Any regulatory costs avoided will be counted as economic benefit.

Step 4: making fines proportionate

At step 4, we consider the likely impact of the fine on the offender(s). The level of fine must be substantial enough to have a real economic impact that will bring home to offenders the need to comply with the law. Whether the fine will have the effect of putting the offender(s) out of business will be taken into account but, in some circumstances, this may be an acceptable consequence.

In considering the ability of the offending organisation to pay any fine, we have the power to allow time for payment or to order that the amount be paid in instalments. See step 6 for further information.

Where the fine will fall on public or charitable bodies, the amount will normally be substantially reduced if the offending organisation is able to demonstrate that it would have a significant impact on the provision of their services.

Additional factors that we consider in deciding whether an increase or reduction to the proposed fine is required include:

- the impact on the offender's ability to improve conditions in the organisation
- whether the offender is now complying with regulation and/or the law
- the impact on children, the employment of staff, and the local community

Reduction for prompt payment
The amount of the fine will be reduced by 25% if it is paid within 28 days.

Step 5: issuing the Notice of Intention

Once a proposed fine amount has been set, a Notice of Intention (NOI) will be issued to the offender(s). This will:

- state the reasons for the proposed fine
- state the amount of the proposed fine, and the reduced amount if it is paid within 28 days of the penalty notice being issued
- inform the offender that they may, within 28 days of the notice being served, make written representations to us about the proposal (the day on which the notice is served counts as day 1, and any representations must be received by Ofsted no later than day 28)
- advise the offender that they should complete the financial means form issued with the NOI
- inform the offender that, if they choose not to complete the financial means form, we will make reasonable assumptions about their ability to pay

Step 6: submitting written representations and/or the financial means form

If the offender submits written representations and/or a financial means form, we will convene a Fine Advisory Panel within 28 days of these being received.

Offenders have the right to personally present their representations (normally via an online meeting). We will consider any requests for reasonable adjustments to arrangements for this call that will enable the offender to attend.

The Fine Advisory Panel will review everything submitted by the offender(s) and any new/additional information, and will consider:

- whether the intention to issue a fine is proportionate – if we propose another course of action, confirm what this is and the reasons why
- whether the proposed fine amount remains proportionate
- any request to reduce the proposed fine amount
- any request to increase the timeframe for payment

Step 7: Fine Advisory Panel decision

Following the conclusion of the Fine Advisory Panel, 1 of 2 processes will be instigated.

If the decision to impose a fine remains
In this situation, we will serve a penalty notice on the offender. This will explain:

- the reasons for imposing the fine
- the amount of the fine
- how the fine can be paid
- the period within which the fine must be paid
- that the fine will be reduced by 25% if paid within 28 days of the penalty notice being served
- their right to appeal to First-tier Tribunal (FTT)
- the consequences of non-payment

The penalty notice will be accompanied by a formal invoice giving the case reference number and confirming the details as set out above.

If a decision is made to take another course of action
If a decision is made to take another course of action regarding the terms set out in the NOI – for example to take no further action and withdraw the penalty notice, to issue an Ofsted caution, or to begin prosecution proceedings – we will issue a formal notice to the offender(s) informing them of this, and the reasons for the change in decision.

Step 8: appeals and collection of fines

The offender has 28 days after being served with the penalty notice to lodge an appeal with the FTT. If no appeal is lodged, or if an appeal is refused by the FTT, Ofsted's finance team will begin collecting the fine.

The fine must be paid within 60 days of the date the penalty notice is served. If the fine is paid within 28 days, the amount will be reduced by 25%.

If an offender lodges an appeal with the FTT, Ofsted will pause the recovery process until the proceedings have concluded.

The FTT will either:

- confirm the penalty notice
- direct that the penalty notice ceases to have effect or reduce the amount

After FTT proceedings have concluded:

- If the FTT directs that the penalty notice ceases to have effect, we will issue a notice to the offender without delay confirming this fact.
- If the FTT upholds the original penalty notice or varies the amount of the fine, following the tribunal's written judgement we will serve the offender with an updated penalty notice. This will reset the payment timeframe, which means the offender has 60 days to pay from the date the updated penalty notice is served, and the amount will be reduced by 25% if payment is made within 28 days of the updated penalty notice.

Cancelling or varying a penalty notice

We have the power to cancel or vary a penalty notice. This can only happen after the penalty notice has been served to the offender(s).

We may use our variation power to correct an obvious manifest error in a penalty notice or to adjust a payment schedule. We cannot increase the penalty amount or reduce the period within which a penalty notice must be paid.

Cancelling a penalty notice is usually triggered by our discovering new/additional information. This could mean cancelling the penalty notice and taking no further action, or it could mean cancelling the penalty notice and starting a prosecution.

Factors that may lead to the cancellation of a penalty notice include (but are not limited to) the following:

- The offender(s) were in the process of registering the setting(s) that the fine relates to, and the setting(s) were registered shortly after the penalty notice was issued.
- Ofsted determines that to continue with the fine may have had a detrimental impact on the setting's ability to operate in accordance with regulations.
- We discover that the offender(s) have operated other unregistered social care which was previously unknown.

- We discover that the offender(s) have continued to operate unregistered social care.
- The offender(s) make clear that they have no intention of paying the fine.
- The offender(s) are deceased.

Imposing a fine on an individual

By ‘individual’, we mean a person that we consider to have carried on and/or managed an unregistered social care setting/provision.

Once a decision has been made to impose a fine on an individual, we will calculate and collect the amount using an 8-step process:

- Step 1: determining the offence category
- Step 2: determining the starting point and category range for the fine
- Step 3: removing the benefits of offending
- Step 4: making fines proportionate
- Step 5: issuing the Notice of Intention
- Step 6: submitting written representations and/or the financial means form
- Step 7: Fine Advisory Panel decision
- Step 8: appeals and collection of fines

Step 1: determining the offence category

To determine which category the offence falls into, we consider the nature and seriousness of the offence, taking into account the level of culpability of the offender(s), and the harm caused and/or the risk of harm, to children.

The tables below explain how we define the level of culpability and the level of harm. The categories are on a sliding scale, and there is inevitable overlap between adjacent categories. Where an offence does not fall squarely into one category, we may consider the weight of individual factors in determining the appropriate category.

Dealing with a risk of harm involves taking into account both how likely it was that harm would occur, and how serious the harm could have been. We consider risk of harm as less serious than that harm occurring. Where the offence has caused risk of harm but no actual harm (or less serious harm), we will normally move down to the next category.

Level of culpability	Description
Very high	Offender(s) intentionally breached or flagrantly disregarded the law.
High	Offender(s) had foresight of, or wilful blindness to, the risk of offending but nevertheless took the risk.
Medium	The offence was committed through an act or omission that a person exercising reasonable care would not commit.
Low	The offence was committed with little or no fault, for example by genuine misunderstanding.

Harm	Description
Category 1	A child/children suffered harm
Category 2	A child/children were placed at substantial risk of harm
Category 3	A child/children were placed at increased risk of harm
Category 4	A child/children were placed at low risk of harm

Step 2: determining the starting point and range for fines

In determining the size of the fine, we take into account evidence we have about the amount of weekly salary paid to the offender relating directly to the offence(s). The offender may disclose this information during interview(s).

We are entitled to make reasonable estimates of the offender’s means from

evidence and from all the circumstances of the case.

Where we are unable to gather evidence of the weekly salary paid to the offender, we will consider average salaries paid in the sector for equivalent role(s). For example, if the individual is a director of the organisation, Companies House may have the individual's legally filed salary, while the Institute of Directors and national recruitment agencies publish up-to-date average salaries that can be used to arrive at an estimate.

It is the responsibility of the offender to disclose data about their financial position to enable us to assess what they can reasonably afford to pay. We will assume that the offender is able to pay any amount imposed unless they supply financial information to the contrary. The offender has the opportunity to do so by submitting written representations and/or completing the financial means form step 6

Fine band: individuals

Culpability: very high

Harm category	Starting point	Range
Category 1	£40,000	£20,000–£80,000
Category 2	£35,500	£17,000–£65,000
Category 3	£30,000	£16,000–£60,000
Category 4	£25,500	£15,000–£55,000

Culpability: high

Harm category	Starting point	Range
Category 1	£20,000	£12,500–£50,000
Category 2	£15,500	£10,000–£45,000
Category 3	£10,000	£6,000–£40,000
Category 4	£9,500	£5,500–£35,000

Culpability: medium

Harm category	Starting point	Range
Category 1	£8,000	£5,000–£30,000
Category 2	£7,500	£4,800–£25,000
Category 3	£7,000	£4,500–£20,000
Category 4	£6,500	£4,000–£15,000

Culpability: low

Harm category	Starting point	Range
Category 1	£5,000	£3,800–£9,500
Category 2	£4,500	£3,000–£8,000
Category 3	£3,500	£2,800–£6,500
Category 4	£2,750	£2,400–£5,500

Aggravating and mitigating factors

We take into account anything that increases the seriousness of the offence ('aggravating factors') or reduces it ('mitigating factors'). The table below contains a list of factual elements providing the context of the offence and factors relating to the offender(s). This list is not exhaustive.

We will consider whether any combination of these, or other relevant factors, should result in an upward or downward adjustment from the starting point of the fine. In particular, relevant recent convictions and/or a history of non-compliance are likely to result in a substantial upward adjustment. In some cases, having considered these factors, it may be appropriate to move outside the category range.

Aggravating factors

Aggravating factors include:

- previously failing to comply with or committing offences under part 2 of the Care Standards Act 2000 or regulations made under it
- repeated incidents of offending or offending over an extended period of time
- deliberately concealing the illegal nature of any activity

- ignoring risks identified by employees or others
- children placed in unregistered provision who were subject to deprivation of liberty (DoL) orders
- evidence of wider/community impact
- evidence that the offence was committed for financial gain
- obstruction of justice in any context

Mitigating factors
Mitigating factors include:

- having no previous convictions or no relevant/recent convictions
- evidence of steps taken to remedy problem
- expressing remorse
- evidence that the offence is a one-off and not commercially motivated
- little or no financial gain
- self-reporting, cooperating and accepting responsibility
- good character and/or exemplary conduct

After we have determined the offence category and considered any aggravating and mitigating factors, we will then consider:

- whether the fine amount as a whole meets, in a fair way, the objectives of punishment, reduction of crime (including reduction by deterrence), protecting the public and removing any gains from the offence step 3
- whether the proposed fine amount is proportionate to the means of the offender step 4

Step 3: removing the benefits of offending

We consider removing any economic benefit derived by the offender(s) through the offence, including:

- regulatory costs they have avoided (such as registration and annual registration fees)
- any gain they have made as a direct result of the offence

The amount of economic benefit derived may result in an adjustment to the fine amount arrived at in step 2.

Where there is no clear evidence about the level of costs avoided, we will estimate these based on published information – for example, the cost of applying to register a children's home and subsequent registration annual fees. Any regulatory costs avoided will be counted as economic benefit.

Step 4: making fines proportionate

At step 4, we consider the likely impact of the fine on the offender(s). The level of fine must be substantial enough to have a real economic impact that will bring home to offenders the need to comply with the law. Whether the fine will have the effect of putting the offender(s) out of business will be taken into account but, in some circumstances, this may be an acceptable consequence.

In considering the ability of the offender to pay any fine, we have the power to allow time for payment or to order that the amount be paid in instalments. See step 6 for further information.

Additional factors that we consider in deciding whether an increase or reduction to the proposed fine is required include:

- the impact on the offender's ability to improve conditions in the organisation
- whether the offender is now complying with regulation and/or the law
- the impact on children, the employment of staff, and the local community

Reduction for prompt payment
The amount of the fine will be reduced by 25% if it is paid within 28 days.

Step 5: issuing the Notice of Intention

Once a proposed fine amount has been set, a NOI will be issued to the offender. This will:

- state the reasons for the proposed fine
- state the amount of the proposed penalty, and the reduced amount if it is paid

within 28 days of the penalty notice being issued

- inform the offender that they may, within 28 days of the notice being served, make written representations to us about the proposal (the day on which the notice is served counts as day 1, and any representations must be received by Ofsted no later than day 28)
- advise the offender that they should complete the financial means form issued with the NOI
- inform the offender that, if they choose not to complete the financial means form, we will make reasonable assumptions about their ability to pay

Step 6: submitting written representations and/or the financial means form

If the offender submits written representations and/or a financial means form, we will convene a Fine Advisory Panel within 28 days of these being received.

Offenders have the right to personally present their representations (normally via an online meeting). We will consider any requests for reasonable adjustments to arrangements for this call that will enable the offender to attend.

The Fine Advisory Panel will review everything submitted by the offender(s) and any new/additional information, and will consider:

- whether the intention to issue a fine is proportionate – if another course of action is proposed, confirm what this is and the reasons why
- whether the proposed fine amount remains proportionate
- any request to reduce the proposed fine amount
- any request to increase the timeframe for payment

Step 7: Fine Advisory Panel decision

Following the conclusion of the Fine Advisory Panel, 1 of 2 processes will be instigated.

If the decision to impose a fine remains

In this situation, we will serve a penalty notice on the offender. This will explain:

- the reasons for imposing the fine
- the amount of the fine
- how the fine can be paid
- the period within which the fine must be paid
- that the fine will be reduced by 25% if paid within 28 days of the penalty notice being served
- their right to appeal to First-tier Tribunal (FTT)
- the consequences of non-payment

The penalty notice will be accompanied by a formal invoice giving the case reference number and confirming the details as set out above.

If a decision is made to take another course of action
If a decision is made to take another course of action regarding the terms set out in the NOI – for example, to take no further action and withdraw the penalty notice, to issue an Ofsted caution, or to begin prosecution proceedings – we will issue a formal notice to the offender(s) informing them of this, and the reasons for the change in decision.

Step 8: appeals and collection of fines

The offender has 28 days after being served with the penalty notice to lodge an appeal with the FTT. If no appeal is lodged, or if an appeal is refused by the FTT, Ofsted's finance team will begin collecting the fine.

The fine must be paid within 60 days of the date the penalty notice is served. If the fine is paid within 28 days, the amount will be reduced by 25%.

If an offender lodges an appeal with the FTT, Ofsted will pause the recovery process until the proceedings have concluded.

The FTT will either:

- confirm the penalty notice
- direct that the penalty notice ceases to have effect or reduce the amount

After FTT proceedings have concluded:

- If the FTT directs that the penalty notice ceases to have effect, we will issue a notice to the offender without delay confirming this fact.
- If the FTT upholds the original penalty notice or varies the amount of the fine, following the tribunal's written judgement, we will serve the offender with an updated penalty notice. This will reset the payment timeframe, which means the offender has 60 days to pay from the date the updated penalty notice is served, and the amount will be reduced by 25% if payment is made within 28 days of the updated penalty notice.

Cancelling or varying a penalty notice

We have the power to cancel or vary a penalty notice. This can only happen after the penalty notice has been served to the offender(s).

We may use our variation power to correct an obvious error in a penalty notice or to adjust a payment schedule. We cannot increase the penalty amount or reduce the period within which a penalty notice must be paid.

Cancelling a penalty notice is usually triggered by our discovering new/additional information. This could mean cancelling the penalty notice and taking no further action, or it could mean cancelling the penalty notice and starting a prosecution.

Factors that may lead to the cancellation of a penalty notice include (but are not limited to) the following:

- The offender(s) were in the process of registering the setting(s) that the fine relates to, and the setting(s) were registered shortly after the penalty notice was issued.
- Ofsted determines that to continue with the fine may have had a detrimental impact on the setting's ability to operate in accordance with regulations.
- We discover that the offender(s) have operated other unregistered social care which was previously unknown.
- We discover that the offender(s) have continued to operate unregistered social care.
- The offender(s) make clear that they have no intention of paying the fine.
- The offender(s) are deceased.

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