

Working with providers at corporate level

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Contents

Overview	2
Why does CQC work with providers at a corporate level and what are the objectives?	2
Which providers will we work with at corporate level?	3
How does CQC work with corporate providers?	4
Relationship management.....	4
Role of the relationship lead.....	4
Role of the Corporate Provider Team (CPT).....	5
How does CQC maintain oversight of the quality profiles of corporate providers?	5
What are the benefits for providers?	6
How does CQC's work with corporate providers link with CQC's Market Oversight duty?	6
Can my organisation opt out of these arrangements?	7
My organisation is being allocated a relationship lead. What happens next?.....	7
Information held by CQC.....	7
Further information	7

Overview

CQC works with all providers at location and registered provider level in the course of its regulatory activity. We also work with some of the larger providers in a more structured way at their corporate level because their services impact on significant numbers of people due to their size, complexity of provision or market share. Many of these providers operate services across multiple geographic regions and service sectors.

This document sets out CQC's approach to working with providers at corporate level. The approach has been developed with engagement from internal and external stakeholders from all service sectors.

Why does CQC work with providers at a corporate level and what are the objectives?

In line with our strategy for 2013 to 2016, *Raising standards, putting people first*, we are committed to building an intelligent, mature relationship with all care providers. This includes providers of multiple services, sometimes known as 'corporate providers'. Underpinning the work with corporate providers is a recognition of the direct correlation between quality at location level (where people experience care), and the strategic direction, leadership and cultural expectations set at corporate level. Through our engagement with these providers at their corporate level, we can work together to influence the quality of services at location level and drive improvements.

The key objectives for our work with providers at corporate level are aligned with our core purpose and are designed to enhance local inspection activities. There are four main objectives:

- ***Strengthening our Intelligent Monitoring and regulatory activity at a location level:*** understanding of the performance issues across a provider's portfolio of services and of their capacity to respond and improve services can help local inspectors plan their inspection schedule in a risk-based way. We can also have good insight into the appropriate enforcement actions to be taken, by understanding the full range of performance across a provider's portfolio.
- ***Feedback on our methodology and implementation:*** as an organisation committed to continuous improvement, there is good opportunity to hear feedback from providers. Feedback from providers who operate across regions or across sectors can be particularly helpful to ensure we are implementing our methodology consistently.
- ***A two-way partnership:*** providers very reasonably want to have a more structured relationship with CQC as their regulator at a corporate level given that all the regulatory activity happens at a location level. This approach is an important part of CQC building mature and honest relationships with providers.

- ***A foundation for strategic development of our regulatory approach across the sectors:*** We will continue to work with providers to develop and implement our new strategy. Within that, we will explore what our inspection methodology should or could do at ‘provider level’, in addition to or instead of activity at ‘location level’. Feedback from providers with multiple locations will enable us to understand the potential benefits and any implementation issues.

Which providers will we work with at corporate level?

CQC defines ‘corporate providers’ as those: *made up of one or more legal entities and providing services from multiple locations, excluding NHS trusts.*

Most of the corporate providers are adult social care providers, but there are also corporate providers of primary medical services and independent hospitals. Some providers operate across all sectors.

Previously CQC has had corporate level relationships with providers that have 20 or more locations. This approach captured the larger providers, reflecting the view that they are likely to have greater numbers of people using their services, thus increasing the numbers of people affected by service quality and performance. Furthermore, many of the larger providers are geographically dispersed, provide more than one type of service or model of care and have significant market share locally, regionally or nationally.

However, we recognise that there is merit in working with smaller corporate providers (smaller in terms of the number of locations) in a more structured way, particularly when the provision is geographically dispersed, complex or when concerns exist. This provides equity and consistency of approach for providers and allows us to strengthen the ways in which we monitor risks and coordinate regulatory activities within and across regions and sectors.

Therefore, during the latter part of 2015/16 we will extend the approach set out in this document to include some providers with less than 20 locations. Initially we will focus on allocating relationship leads to those smaller providers whose locations are spread across CQC teams, regions or sectors, or where there are issues of concern. This will include allocating a relationship lead to providers whose number of locations increases above 20.

Franchises: we do not *routinely* have corporate level relationships with franchise companies. This is because each franchisee is registered individually with CQC, and is directly responsible for maintaining their regulatory compliance. A small number of franchise companies are registered to provide regulatory activities and we may have a corporate level relationship with them depending on the size of that provision.

How does CQC work with corporate providers?

We will have a defined and consistent approach to relationship management. We will allocate a named lead for all corporate providers, starting with those with more than 20 locations. When allocating relationship leads to corporate providers, we will take account of the need for the right level of seniority, the most effective use of resources, maximising the use of local knowledge and engaging relevant expertise. Therefore:

- The largest providers and those in CQC's Market Oversight Scheme will have a named relationship lead from CQC's central Corporate Provider Team.
- Providers in CQC's Market Oversight Scheme will also have named strategic and finance leads. The strategic lead will usually be a Deputy Chief Inspector or Head of Inspection from the Adult Social Care Directorate; the finance lead will be an experienced finance professional from CQC's Market Oversight Team.
- The remaining corporate providers will be allocated a relationship lead from the relevant CQC sector and region. As the majority of corporate providers are in adult social care, most of the relationship lead roles will be from that sector in CQC. Relationship leads will be allocated from CQC's Primary Medical Services and Hospitals directorates when the majority of the provider's services are of that service type.
- Relationship leads will generally be based in the region where the provider has the majority of its locations and/or head office.

Relationship management

Role of the relationship lead

CQC's work with corporate providers is primarily conducted through relationship leads.

Relationship leads will be an Inspection Manager from one of the CQC regions, or an Inspector from the Corporate Provider Team (CPT). They will be responsible for establishing and maintaining relationships and having oversight of the quality profile.

The relationship lead will hold the day-to-day relationship with the provider and will be the main internal and external point of contact. The role of the relationship lead is to:

- Develop and maintain a relationship with the provider at their corporate level.
- Maintain oversight of the performance profile of the locations in the provider's portfolio, identifying trends, risks, issues and changes over time and having regular discussions with the provider about this.
- Respond to monitoring information where this indicates issues of concern, sharing information with operations staff to inform and enhance location level inspection activity.
- Exchange information about organisational developments and strategic plans.

- Provide a forum for feedback on CQC methodology and regulatory approach.

The degree of active involvement with the provider will differ depending on the size, complexity, performance and risks associated with individual providers. However, we anticipate there being around one to three routine engagement meetings per year in order to establish and maintain a meaningful and productive relationship.

Role of the Corporate Provider Team (CPT)

The Corporate Provider Team is a small team providing a central, dedicated resource and point of reference in CQC for knowledge, information and intelligence relating to providers with multiple locations operating across health and social care.

The team has the relationship lead role with the larger corporate providers operating in all CQC regions and sectors, including those in CQC's Market Oversight Scheme. The team works closely with the Market Oversight Team to exchange information and create a holistic picture of risks and issues affecting the likely financial sustainability of individual providers.

The CPT also takes temporary oversight/relationship lead role for individual providers when issues of particular complexity or concern are identified which would benefit from a central, dedicated lead.

How does CQC maintain oversight of the quality profiles of corporate providers?

Relationship leads are responsible for maintaining oversight of the quality profile of the locations in the provider's portfolio. The purpose of this is to identify changes, trends, areas of concern and to spot early warnings of risks and issues. Relationship leads will share relevant information with location inspectors to inform their inspection activity, for example by directing them towards specific lines of enquiry.

Relationship leads will discuss the quality profile with providers during routine engagement meetings. They will also discuss any areas of concern, convening additional meetings if required. Areas of concern could relate to:

- Corporate governance and systems, for example: senior management support arrangements, quality assurance arrangements, policies and procedures, strategic leadership and planning
- Recruitment and retention issues
- Poor performance across multiple locations
- Similar poor performance issues in multiple locations
- Multiple locations without registered managers.

Relationship leads will seek information and assurance from providers about how they are addressing concerns and will share this with location inspectors as required. This provides inspectors with helpful context for their location level inspection activity

and inspection judgements. Individual inspectors retain full responsibility for inspection activity at the locations on their portfolios.

What are the benefits for providers?

Through this approach providers will have:

- A named point of contact at CQC
- A forum to exchange information about organisational plans and developments
- A forum to provide feedback on CQC methodology and regulatory approach
- Opportunity for regular corporate level discussion about quality and performance
- A forum to share innovative practice
- A forum to share information about the challenges and issues providers are experiencing in the operating environment that are affecting the provision of services
- An opportunity to influence to CQC's authoritative voice on the State of Care and to inform the development plans of sector improvement agencies, for example the Social Care Institute for Excellence.

How does CQC's work with corporate providers link with CQC's Market Oversight duty?

CQC's Market Oversight duty aims to protect people using adult social care services from having their care interrupted where a large or specialist care provider is at risk of financial failure and has to close one or more of its services. Where we assess that this is likely we will notify the relevant local authorities where the affected service(s) deliver care so they can draw up specific contingency plans to preserve continuity of care. Local authorities have a legal duty to ensure people continue to have their care needs met if a provider stops being able to do so.

The scheme works by CQC collecting and monitoring information about a provider's finances and combining this with the information we already collect about quality of care. We will use this information to assess the level of risk to the provider's financial sustainability.

Providers that are included in the Market Oversight Scheme are allocated a finance lead from CQC's Market Oversight Team. They are responsible for carrying out financial sustainability assessments and for maintaining oversight of the provider's financial profile. They work closely with CQC's Corporate Provider Team to exchange information and create a holistic picture of risks and issues affecting the likely sustainability of individual providers.

Information about the Market Oversight Scheme is available at:
www.cqc.org.uk/content/market-oversight-adult-social-care

Can my organisation opt out of these arrangements?

In previous years CQC has had similar arrangements for working with corporate providers. Feedback from both CQC staff and providers has consistently shown that the relationship is of mutual benefit and value. A relationship lead will be allocated to all providers and they will maintain oversight of the quality profile and seek to develop a relationship with the provider through routine engagements meetings. Providers are under no obligation to attend engagement meetings but we anticipate that they will wish to do so.

My organisation is being allocated a relationship lead. What happens next?

We will be finalising the allocations of relationship leads to corporate providers during August 2015. From September onwards, relationship leads will start to make contact with the providers they have been allocated to. They will make contact with the Nominated Individual by telephone or email to introduce themselves, provide their contact details and to make arrangements for the first engagement meeting. If your organisation has more than one Nominated Individual you may want to identify which one will be the point of contact for the relationship lead.

Engagement meetings are held at a mutually convenient time and venue, often at one of the provider's locations. We will keep an agreed record of the key discussions and action points from the engagement meetings.

Information held by CQC

CQC is a public authority subject to the provisions of the Freedom of Information Act 2000 (FOIA). This means that any person may make a request for information held by CQC, and we must disclose the requested information unless exemptions under the Act apply. In the event of an FOIA request for information relating to our work with a corporate provider we will, where possible, consult with that provider on any proposed disclosure and possible exemptions (for example the exemption in relation to prejudice to commercial interests) and we will inform them of any information about them that we intend to disclose under the Act. Where CQC applies an exemption to refuse disclosure, the requestor may appeal to the Information Commissioner's Office and the First Tier (Information) Tribunal who have powers to compel disclosure where they judge that the exemption is not engaged.

Further information

For further information please contact CQC's Corporate Provider Team at:

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