



Department for
Business, Energy
& Industrial Strategy

BUSINESS IMPACT TARGET: SUMMARY TEMPLATE

Non-qualifying Regulatory Provisions
(NQRPs) summary reporting template

Regulator: The Care Quality Commission

Business Impact Target Reporting Period Covered: 21st June 2019 – present

Excluded Category*	Summary of measure(s), including any impact data where available**
<p>Measures certified as being below <i>de minimis</i> (measures with an EANDCB below +/- £5 million)</p>	<p>National Guidance on Notification Threshold for Ionising Radiation (Medical Exposure) Regulations Currently, healthcare providers are required to complete a webform when certain thresholds of medical exposure to ionising radiation are breached. This change updates the thresholds, meaning that fewer notifications will need to be completed, therefore saving providers time. The time that is saved by CQC will be used to increase the number of inspections that are conducted, this will be an additional cost to providers. The net positive impact on providers is estimated to be c. £16,400.</p> <p>Introduction of the Provider Information Collection for Providers at Scale as part of CQC's Annual Regulatory Review This change is a continuation of the Annual Regulatory Review (ARR) process that was implemented in April 2019. In this reporting period, the ARR has been implemented for Providers at Scale - large-scale general practices and general practices that operate across more than one location. CQC reported on the impact of the implementation of the ARR for standard General Practices in their 2018/19 NQRP submission.</p> <p>Previously, provider locations were sent a Provider Information Return (PIR) to complete ahead of an inspection. Under the ARR, the PIR has been replaced by the Provider Information Collection (PIC) for providers rated as "Good" or "Outstanding". The PIC is designed to monitor changes in the quality of care and entails a one-hour telephone call between CQC and provider staff.</p> <p>CQC Management Information shows that there are 709 locations operating as part of a Provider at Scale, of which 578 are rated "Good" or "Outstanding". The agreed convention CQC has with the Department of Health and Social Care is that 6% of these locations will be treated as businesses for Business Impact Target purposes. This equates to 35 locations.</p> <p>Based on CQC internal analysis, a provider location rated as "Good" took 24 hours to complete a PIR. CQC does not hold reliable data for those provider locations rated as "Outstanding" but have assumed that they will take the same amount of time as those locations rated as "Good". CQC's internal assumption is that three members of staff were involved in completing a PIR; an Operations Manager, a GP, and a member of administrative staff. Using wage rates, including overheads, taken from the Office for National Statistics' Annual Survey of Hours and Earnings (£27, £39 and £10 respectively), CQC estimates that the cost to businesses of completing the PIR was £64,000 per annum.</p> <p>An internal evaluation of the PIC by CQC found that the median amount of staff time taken to complete a PIC is 11 hours, 10 hours to complete the PIC template and 1 hour for the PIC call. CQC has assumed that the</p>

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	<p>same members of staff that completed the PIR complete the PIC. Therefore, the total annual cost to businesses of completing the PIC is £29,000, giving a total net annual saving to businesses of £35,000.</p> <p>Next phase of inspecting Independent Healthcare providers In the 2016-2021 CQC strategy, CQC planned to inspect and rate Independent Healthcare (IH) providers for the first time using the existing inspection methodology. For IH diagnostic imaging, the inspections started in August 2018 and are expected to be completed in December 2019. From April 2020 to 2021 CQC will also inspect for the first time, but not rate, the following IH single speciality providers: Laboratory servicers, Hyperbaric oxygen, and Blood and transplant services.</p> <p>CQC estimates that there are currently 360 Diagnostic imaging, 30 Laboratory, 8 Hyperbaric and 12 Blood and transplant service locations. CQC has previously consulted with providers of these services that it planned to inspect and, in some cases, rate their locations.</p> <p>Across all these services, whether rated or not, the publication of the inspection report could be used by service users to help them choose which provider they should go to for treatment. Consequently, this could impact on provider income, with service users choosing to select a service over another. However, findings from The King's Fund and Manchester Business School report (September 2018) identified the lack of available national data as a major limitation in understanding the impact of CQC inspection and rating on service user choice. Given that the lack of available national data is even more prominent for IH providers and that service user choice is not present for some of these providers, CQC considers that quantitative analysis is disproportionately costly to conduct.</p> <p>CQC has carried out a survey of Acute Hospital Inspectors carrying out single core service inspections to understand which staff are involved in inspections and how much of their time an inspection takes up. Using the standard cost model, CQC calculated the average cost of inspection for a core service to be £1,300. CQC thinks it is reasonable to assume that the costs for the IH sector is the same as, or even less than, that of a core service inspection for the hospital sector. CQC's highest estimate of the total annual cost to providers of the changes is £500,000 per annum. Some data used for costing are caveated in terms of their timeliness and sample size, however CQC believes it would be disproportionate to collect further data and is confident that the net impact to business will not reach the threshold for a Qualifying Regulatory Provision.</p> <p>Third way of inspecting the Adult Social Care sector CQC's Adult Social Care (ASC) directorate is introducing a new narrow inspection approach for provider locations. These inspections are more targeted than the comprehensive and focused inspections and will look at a specific area of concern e.g. following up on a warning notice issued after a comprehensive inspection. The approach is being piloted with the view to implementing it from the beginning of 2020. CQC will continue to</p>

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	<p>use the current inspection framework and providers will not have to do anything differently ahead of an inspection. The providers will be sent a copy of the inspection report but CQC will not change the existing rating from the previous inspection.</p> <p>CQC estimates that the new type of inspection will only be carried out in 0.9% of ASC providers that were previously inspected. CQC estimates that the total number of inspections that will be carried out each year will be around 206. CQC has previously carried out a survey of ASC Inspectors that carried out inspections to understand which staff are involved in an inspection and how much of their time an inspection takes up. Using the standard cost model, CQC calculated the average cost of inspection for an ASC provider is £200. Therefore, CQC's estimate of the annual cost to providers of the changes is c. £41,000 per annum and is therefore confident that the net impact to business will not reach the threshold for a Qualifying Regulatory Provision.</p> <p>Changes to the Provider Information Return for Adult Social Care providers</p> <p>CQC previously asked Adult Social Care (ASC) provider locations to complete a Provider Information Return (PIR) ahead of an inspection. The PIR was used by CQC Inspectors to highlight areas of focus during an inspection. In August 2019, CQC revised the frequency of the ASC PIR and made changes to its content. The PIR is now sent out to providers on an annual basis so that information can be used for continuous monitoring purposes. ASC providers now have clarity of the timing of the PIR which helps them to prepare. In addition, to improve provider experience, provider feedback has been used to re-organise the PIR to make it easier for providers to complete.</p> <p>The Department of Health and Social Care has identified that between 87% and 94% of Residential and Community based ASC services can be classified as businesses. For this assessment CQC has used the mid-point. In 2018/19, 10,668 ASC PIRs were requested by CQC, meaning that 9,655 PIRs were requested from businesses. Internal CQC analysis identified that providers spent 17 hours, on average, completing the previous ASC PIR and that it was completed by Registered Managers. The Office for National Statistics' Annual Survey of Hours and Earnings list the wage rate of a Registered Manager as £20 per hour, as such, the cost of the PIR to businesses was previously £3.28m per annum.</p> <p>CQC estimates that the new PIR will be sent to 18,980 of providers and therefore 17,177 businesses, annually. CQC has carried out an evaluation of the changes to the PIR and has identified the new format now takes providers 11 hours to complete. Therefore, the cost of the new PIR process is £3.78m to businesses per annum and the total net annual impact is a £0.5m cost to businesses.</p>

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	CQC's evaluation was based on a short survey collected from providers and therefore may not be exact. Given the scale of the estimated annual impact, CQC does not expect the collection of more accurate data to qualify this as a regulatory provision. However, CQC will continue to evaluate the impact of this change on providers.
EU Regulations, Decisions and Directives and other international obligations, including the implementation of the EU Withdrawal Bill and EU Withdrawal Agreement	N/A
Measures certified as concerning EU Withdrawal Bill operability measures	N/A
Pro-competition	N/A
Systemic Financial Risk	N/A
Civil Emergencies	N/A
Fines and Penalties	N/A
Misuse of Drugs	N/A
Measures certified as relating to the safety of tenants, residents and occupants in response to the Grenfell tragedy	N/A

Excluded Category*	Summary of measure(s), including any impact data where available**
Casework	<p>The Care Quality Commission (CQC) is the independent regulator of health and adult social care in England. Details of its casework; including inspecting, registering and monitoring health and adult social care providers, can be found in the 2018-19 annual report and accounts (https://www.cqc.org.uk/sites/default/files/20190812_annualreport201819.pdf).</p>
Education, communication and promotion	<p>CQC has been involved in education, communications and promotion activity related to sexual safety in both mental health and adult social care services. More information can be provided on request and through the following link (https://www.cqc.org.uk/publications/major-report/sexual-safety-mental-health-wards).</p> <p>In May 2019, BBC Panorama exposed a culture of abuse and breaches of the human rights of people with learning disabilities and or autism at Whorlton Hall. It reinforced how everyone involved in the care of people with learning disabilities and or autism have a part to play in identifying where abuse and human rights breaches may be taking place. Since then, CQC has published new guidance for inspectors and their managers about how to identify and respond to 'closed cultures' in services. Additionally, CQC has written to providers to highlight that it has taken steps to strengthen the way it assesses these types of services. CQC asked providers to consider what steps they can take to better protect the human rights of people in their service. The work on how CQC responds to this is still on-going, as such, analysis of its impact on businesses will be reported in the next Business Impact Target reporting period.</p>
Activity related to policy development	<p>There were five policy development changes in this period. These changes included CQC continuing to fulfil its statutory responsibilities by publishing the State of Care and Mental Health Act Reports, as well as two thematic reports on the use of restraint, prolonged seclusion and segregation (RSS) for people with a mental health problem, a learning disability and or autism. The first of the thematic reports was published on 21 May 2019. This interim report (https://www.cqc.org.uk/publications/themed-work/interim-report-review-restraint-prolonged-seclusion-segregation-people) focused on people who were cared for in segregation on a learning disability ward or a mental health ward for children and young people. It makes several recommendations for the health and care system, including CQC. The final report will be published in March 2020, where CQC will share findings on the use of restrictive practices in a wider group of settings, including low secure and rehabilitation mental health wards and adult social care services.</p>
Changes to management of regulator	N/A

* For detailed guidance on the exclusion categories, please see <https://www.gov.uk/government/publications/better-regulation-framework>

** Complete the summary box as 'Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.' where this is appropriate.