



Department  
of Health

# Corporate accountability: Our response and next steps Easy Read



March 2014

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# Introduction



When bad failures in care happen, there should be consequences for everyone.



This means not just the staff but also the leaders of health and care services and the organisation itself.

This is called **corporate accountability**.

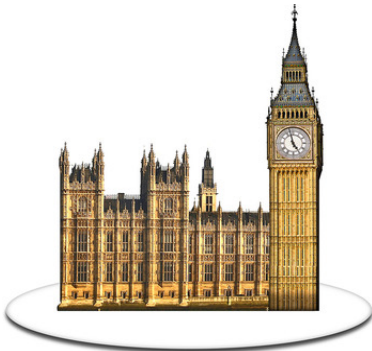


Senior leaders are often called directors and they belong to a Board. The Board meets to agree how to run the organisation.



The Care Quality Commission (CQC) want to make sure health and social care services give people, safe, kind and good care.

# Our plans



In July 2013 we asked for your views about our plans to change the law (the regulations).



The changes are about introducing a new **fit and proper person test for directors.**



We want to make sure all people in organisations that provide health and care services are fit to do their job. We call this being a **fit and proper person.**



These changes will make it easier for the CQC to take action where care is poor.



If CQC decide that a director is not a fit and proper person, they can ask the organisation to remove the director.



If the organisation does not do this CQC may take the organisation to court.



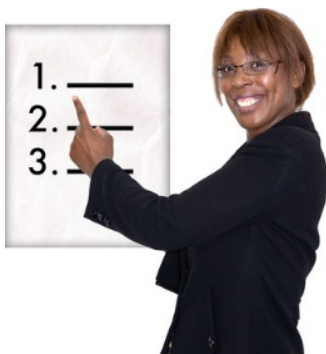
This will send out a strong message to Boards and directors that they are responsible for making sure that the people they care for get safe, kind and good care.

# What you told us:



We asked who the fit and proper person test should apply to?

You had different views on this. Some people said the test should apply to:



- all senior managers and
- people who pay for services as well as providers.

## Our response:

We want the test to cover all organisations who register with the CQC.





This means:

- NHS hospitals
- Private hospitals
- Care homes
- Doctors
- Dentists



We think the test should apply to all directors of Boards or similar posts. This would include:

- Executive directors
- Non- executive directors
- Trustees and
- members of the governing body of other organisations





# We asked what sort of checks should be made?



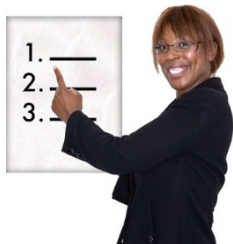
We want organisations to do some checks before they give a job to new Directors.

These are checks to make sure that the person is fit to do the job.



You said that you agreed the checks should cover things like:

- a person's finance
- their honesty
- what they did in other jobs.



But you wanted more information about what the checks would cover.

# We asked how will these changes affect services?



We asked for your views about how these changes will affect services.

We want to make sure that the new laws do not make things more difficult or more expensive for organisations.

You had mixed views:



- some people were unsure and said these needed more information
- some thought that most organisations are already making sure their directors are fit and proper persons
- many said the costs could be big.



## Our response:

- We think there will be some extra costs to some organisations who provide services. But we think these costs will be low.



- We want to know if you have other information about how these changes will affect services.

## We asked what else do we need to do?



We asked if all the changes we plan to make will help make sure action is taken against directors and boards when there are serious failures in health and care.

A lot of you agreed that the new test was a good thing.

You also liked the new **fundamentals of care**. This is the name for the new rules about the basic level of good care a service must meet.



But some of you wanted other things to happen – for example

- better leadership
- changing the culture.

## **Our response:**

We are introducing the new fundamentals of care so that CQC can act quickly.



CQC can take a service to court if the new standards are broken and people are hurt.

This will happen in the most serious cases. CQC will take other action in less serious cases.

# The new laws

The new laws say that directors must:



- Be of good character – this means that they are a good person
- Have the right skills and experience for the post;



- Be able to do the job, with the right support;



- Not have been responsible for any misconduct or mismanagement in another job. This means looking at what they did in other jobs.

- Not be stopped from taking up the post by other laws – for example company law.



A director can be unfit if they:

- Have been sent to prison for at least three months in the last 5 years;



- Have problems with money – for example they have been made bankrupt; or

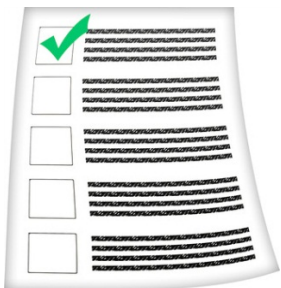


- Are on a list which stops them from working with children and vulnerable adults.

# We want your views



We want to hear what you think about our plans for the new laws.



We want to know your answers to some questions. The questions are shown in a yellow box in the reply booklet.



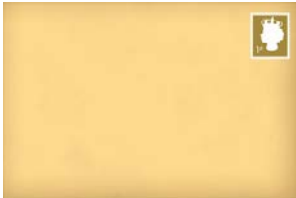
Please tell us what you **think by**  
**25 April 2014**



You can use the answer booklet to send in your views.



# How you can contact us:



You can tell us by sending your reply to :



Email:

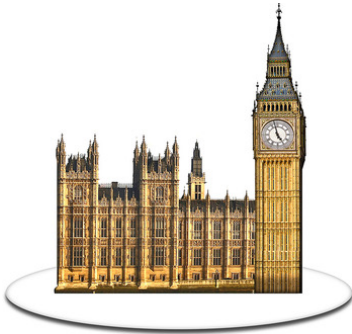
[Corporate.accountability@dh.gsi.gov.uk](mailto:Corporate.accountability@dh.gsi.gov.uk)



Or write to:

Corporate accountability consultation  
Sheila Evans,  
Quality and regulation,  
Area 507 Richmond House,  
79 Whitehall,  
London SW1A 2NS

# What will happen next?



Some of the changes we plan to make will need changes to the law (regulations).

We want your views on these draft laws before they go to Parliament in the summer.



We want the new laws to start in October 2014.

# REPLY BOOKLET

**Response to our plans on corporate accountability:**

Name:.....

Organisation/role.....

.....

.....

.....

.....

Please send your response to:

[Corporate.accountability@dh.gsi.gov.uk](mailto:Corporate.accountability@dh.gsi.gov.uk)

Or by post to:

Sheila Evans,  
Quality and regulation,  
Area 507 Richmond House,  
79 Whitehall,  
London SW1A 2NS

Closing date: 25 April 2014

**Question 1:**

**Do you think the new laws (regulations) reflect the policy aims we have set out?**

Yes

No

Maybe

Other comments:

**Question 2:**

**Are there other things that should be included in the list of conditions (on pages 12-13)?**

Yes

No

Maybe

Other comments:

**Question 3:**

**Do you have any other comments about the draft laws?**

Yes

No

Maybe

Other comments:

**Question 4:**

**Do you agree that if this new law is broken, this should be a criminal offence?**

Yes

No

Maybe

Other comments:

**Question 5:**

**Do you have any concerns about the effect the laws may have on people - for example, because of their age, disability, race, religion or belief, or sex?**

Yes

No

Maybe

Other comments:



**Question 6:**

**Do you have any information about how these changes will affect services? In particular, do you have any comments on the costs and benefits of the changes as set out in the impact assessment?**

Yes

No

Maybe

Other comments:

