

A new approach to inspecting specialist substance misuse services

Department for Health – Care Quality Commission

RPC rating: validated

Description of proposal

In July 2015, the Care Quality Commission (CQC) introduced a new inspection methodology for independent standalone misuse services (SMSs). The changes included:

- a new provider handbook outlining on what areas and issues CQC inspectors should focus;
- a new provider information return used to collect new information prior to the inspection;
- a new inspection model introducing, for example, longer inspections for medium and larger providers; and
- a move towards announced inspections.

Impacts of proposal

The assessment states that approximately 41 businesses are affected by this change. This number is estimated based on information from CQC's Register of Providers.

Providers will face a one-off familiarisation cost of approximately £13,350. This estimate is based on the assumption that three members of staff (one registered manager and two clinical staff) have to revise guidance once. The CQC uses wage rates from NHS's pay scales and ONS's Annual Survey of Hours and Earnings.

The assessment states that the new provider handbook will shorten the time providers need to consult CQC's guidance. The assessment assumes a time saving of 15 minutes. On this basis, the benefit of the measure is estimated to be approximately £11,700.

The main cost item is related to additional time needed to prepare for inspections. The CQC assumes that providers would need five additional working days. Based on past records, the assessment claims that each provider would be inspected

approximately once every two years. This results in a total annual cost of approximately £16,000.

In addition, providers will face new costs related to:

- longer inspections for medium and larger businesses (£1,600 per annum);
- extra time needed to review inspection reports (£3,200 per annum);
- more frequent inspections (inspection once every 2 years compared to 4 years previously; £1,400 per annum); and
- new provider information form (one extra day, £3,200 per annum).

The overall net cost of this measure is approximately £13,700 per annum and it, therefore, rounds to zero.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of zero. This will be a qualifying regulatory provision that will score under the business impact target.

Quality of submission

The analysis presented in the assessment is sufficient to validate the impact estimate of this policy.

The assessment could have provided a slightly more detailed justification of the assumptions used to estimate impacts. However, considering the small impact of the measure, the approach taken by the CQC appears proportionate.

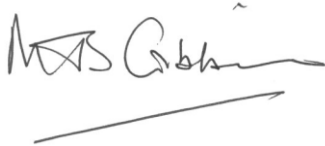
Departmental assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net cost to business (EANCB)	Zero
Business net present value	Zero

RPC assessment

Classification	Qualifying regulatory provision (IN)
----------------	--------------------------------------

EANCB – RPC validated ¹	Zero
Business Impact Target (BIT) Score ¹	Zero



Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANCB and BIT score figures to the nearest £100,000.