

Guidance: Continuing Regulatory History

Guidance for providers and CQC staff

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Executive Summary

For registration applications completed from 1 April 2019, where an existing location (service) undergoes a change of ownership or address, the previous 'regulatory history' of the location (its rating and inspection report) will continue to be displayed against the new location.

Where the overall responsibility for a location is unchanged (for example, a change of legal entity for business purposes or a location moves address), continuing the history makes clear their ongoing accountability for the quality of a service.

Where a location is acquired by a new provider, they are considered to 'inherit' the previous location history (rating and report). Although the rating was not awarded to them, they will have full knowledge of the history and are responsible for maintaining and improving the service, including addressing any issues from the last inspection.

This Guidance sets out the reasons for the CQC continuing the regulatory history of a location following certain registration changes, and the types of change this applies to.

Guidance

1. Background

Previously when a provider made a change to their registration affecting a location (a change of legal entity, purchase, acquisition, merger, some location address changes), the previous history and ratings were not shown against the new location. Where CQC established a link between a predecessor and successor location, the predecessor's record on our website was linked to the successor location with text directing the reader to the old/new profile.

In CQC's Next Phase of Regulation (Phase 2) consultation in 2017 we proposed that our new approach to registration would ensure that the history stays with a location when its ownership changes. As a result of the consultation, CQC confirmed that we would ensure the regulatory history of a location remains visible when its ownership changes. We would continue to show the previous inspection report and ratings against the new location website record, and maintain the history within the CQC register.

Note: Although 'Locations' are often referred to as 'services', the term 'location' (as defined by CQC in the 'What is a location?' guidance) will be used in this document. The terms 'predecessor' and 'successor' will be used to refer to the previous (predecessor) and new (successor) provider and/or location.

2. What are the benefits of CQC doing this?

Continuing a location's regulatory history will ensure:

- Better visibility of this information for the public and people choosing services, providing transparency of history and enabling the location to appear in the results of any website search by rating
- That ratings for locations rated good and outstanding can be retained, and the history is maintained when providers are performing well
- That a poor rating is not lost when there is a change to the registered provider or a location moves address, and providers can be held accountable for making improvements where they are needed
- Efficiencies in inspection by enabling CQC to take a more proportionate approach to scheduling the first inspection after a change of ownership (reducing the burden on CQC and providers)

3. When will CQC continue the regulatory history?

Regulatory history (ratings and reports) will only be continued at location/service level, and where at least one of the same regulated activities is being continued.

CQC will always continue the regulatory history when the following registration changes affect locations:

1. **A location moves premises:** a provider changes their registration because they start providing the regulated activity(s) from new premises
2. **Changes to Provider legal entity:** a new registration happens as a result of a legal entity currently registered with CQC changing their business structure – for example, from an individual provider or partnership to a limited company
3. **Location taken over by new Provider:** a location is sold to or taken over by a new Provider. It applies to NHS and non NHS, and includes mergers. It also includes where a provider re-opens a location they had previously removed from their registration

The regulatory history will be continued regardless of whether a location was operating when the legal entity or address changed, or when taken over by a new provider.

4. Are there any circumstances when CQC won't continue the history?

We will not continue a regulatory history when:

- There is no rating or report at location level to continue against the new location. For example, where a predecessor location has not yet been inspected, or for services that are only rated at core service and provider level
- The predecessor location continues to provide any regulated activities (services)
- Two or more locations merge to form a new location

5. How will CQC decide whether to continue a history?

CQC will regularly review registration data to identify new locations meeting the criteria for continuing the history. Where an application form confirms a relationship with a predecessor location we may automatically continue the history. The certificate cover letter will remind all providers that this may happen; CQC will not notify providers individually.

If CQC identifies a link between locations that is not shown in an application form, we will investigate further and may decide to continue the location's history. In this instance we will always inform the provider in writing that the history has been continued, explaining the reason for this.

6. What continued history will be displayed?

The most recent ratings and report published against a predecessor location will be displayed against the successor location on the CQC website. Ratings displayed against the successor location website record will include the following, where relevant for the particular location:

- Overall location rating
- Key question ratings
- Core service ratings
- Population group ratings
- Judgements applied to Dentist locations (ticks and crosses representing No Action, Action Required, Enforcement Action)

The website will show that the location has been subject to a change of registration and that the ratings were awarded to the previous provider, where applicable.

7. When will a continued regulatory history be displayed?

CQC will review data on completed registration applications every two weeks. This means that links between predecessor and successor locations will be identified and made retrospectively, so the continued

regulatory history will not be displayed at the point a new location first appears on the CQC website.

Where there is a delay between completing predecessor and successor applications, it may take longer to identify that a new location meets the criteria for continuing regulatory history. However, it is expected that the majority of links to continue regulatory history will be identified and made **within 30** days of a registration application being completed. CQC will carry out a periodic data review to capture any links between locations not yet identified.

8. How should providers notify CQC of any incorrect links or omissions?

If a provider believes that an incorrect regulatory history has been continued at a location or that CQC has incorrectly applied the criteria for continuing regulatory history, they should contact CQC via the National Customer Service Centre (NCSC) (enquiries@cqc.org.uk) with evidence to substantiate any correction requested.

CQC will review the query within 28 days and inform the provider of the outcome and any action taken. If the provider remains dissatisfied with the outcome and considers that CQC has not followed due process, any concern will be reviewed and responded to by an appropriate member of CQC staff who was not involved in the previous review.

If a provider believes that CQC has omitted to continue the history where a link does exist between locations, they can notify CQC **once 30 days have passed since the registration was completed**.

Once a decision has been made to add, amend or remove a continued history, the links will be updated and the website location page will be refreshed 36 hours later.

9. Does the requirement to display ratings apply?

Regulation 20A (Health and Social Care Act 2008 (Regulated Activities) Regulations 2014) applies to all providers who have received a CQC performance assessment for their regulated activities. It requires them to ensure that their rating is displayed at each location delivering a regulated service, and on their website.

When a location assessed under a predecessor provider undergoes a change of ownership, the successor provider is not legally required to display the rating awarded to the predecessor. If a successor chooses to display the inherited rating, they must clearly show that the rating was awarded to the predecessor. Any false or misleading statements related to a rating may lead to CQC taking action.

Once CQC has made links between predecessor and successor locations in order to display the continued history on our website, widgets and posters that display and explain the inherited rating will be available for providers to use.

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