

# Remuneration and people report

This section provides details of the remuneration (including any non-cash remuneration) and pension interests of Board members, independent members, the Chief Executive and the Executive Team. The content of the tables and fair pay disclosures are subject to audit.

## Remuneration report

### Remuneration of the Chair and non-executive Board members

Non-executive Board members' remuneration is determined by the DHSC based on a commitment of 2 to 3 days per month.

There are no provisions in place to compensate for the early termination or the payment of a bonus in respect of non-executive Board members.

The Chairman and non-executive Board members are also reimbursed for expenses incurred in the fulfilment of their commitments to CQC. Expenses are grossed up to account for the tax and national insurance due, in accordance with HMRC rules.

Non-executive Board members are not eligible for pension contributions or performance-related pay as a result of their employment with CQC.

## Chairman and non-executive Board members' emoluments (subject to audit)

	2021/ 22	2021/22	<b>2021/ 22</b>	2020/ 21	2020/21	<b>2020/ 21</b>
	Salary (bands of £5,000) £000	Benefits in kind (taxable) <sup>1</sup> to nearest £100 £	<b>Total (bands of £5,000) £000</b>	Salary (bands of £5,000) £000	Benefits in kind (taxable) <sup>1</sup> to nearest £100 £	<b>Total (bands of £5,000) £000</b>
Peter Wyman CBE DL (Chair)	60-65 <sup>2</sup>	4,100	<b>65-70</b>	60-65	800	<b>60-65</b>
Sir Robert Francis QC	30-35	-	<b>30-35</b>	30-35	-	<b>30-35</b>
Jora Gill	5-10	800	<b>5-10</b>	5-10	-	<b>5-10</b>
Mark Saxton	5-10	600	<b>5-10</b>	5-10	700	<b>5-10</b>
Sally Cheshire CBE	10-15	1,100	<b>10-15</b>	0-5 <sup>5</sup>	-	<b>0-5</b>

Mark Chambers	5-10	500	<b>5-10</b>	0-5 <sup>6</sup>	-	<b>0-5</b>
Dr. Ali Hasan	5-10	200	<b>5-10</b>	0-5 <sup>6</sup>	-	<b>0-5</b>
Stephen Marston	_3	-	-	_3	-	-
Belinda Black	5-10 <sup>4</sup>	1,300	<b>5-10</b>			
Liz Sayce OBE				5-10 <sup>7</sup>	-	<b>5-10</b>
Paul Rew				5-10 <sup>8</sup>	200	<b>10-15</b>
Sir John Oldham OBE				0-5 <sup>9</sup>	-	<b>0-5</b>

Notes:

<sup>1</sup> Benefits in kind (taxable) relate to taxable expenses incurred by members in the fulfilment of their commitments to CQC.

<sup>2</sup> Peter Wyman CBE DL's appointment expired on 31 March 2022. Ian Dilks OBE was appointed as CQC's new chair on 1 April 2022.

<sup>3</sup> Stephen Marston was appointed on 4 January 2021 but chose not to receive remuneration for his role.

<sup>4</sup> Belinda Black was appointed on 1 May 2021, full-year equivalent salary £5-10k.

<sup>5</sup> Sally Cheshire CBE was appointed on 4 January 2021, full-year equivalent salary £10-15k.

<sup>6</sup> Mark Chambers and Dr. Ali Hasan were appointed on 4 January 2021, full-year equivalent salary £5-10k.

<sup>7</sup> Liz Sayce OBE's appointment expired on 31 January 2021, full-year equivalent salary £5-10k.

<sup>8</sup> Paul Rew's appointment expired on 31 December 2020, full-year equivalent salary £10-15k.

<sup>9</sup> Sir John Oldham OBE's appointment expired on 31 July 2020, full-year equivalent salary £5-10k.

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## Payments to independent members of ACGC (subject to audit)

Independent members of ACGC are paid fees on a per meeting basis and are also reimbursed for expenses incurred in fulfilling their commitments to CQC.

	2021/ 22	2021/22	<b>2021/ 22</b>	2020/ 21	2020/21	<b>2020/ 21</b>
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	Fees (bands of £5,000) £000	Benefits in kind (taxable) <sup>1</sup> to nearest £100 £	<b>Total (bands of £5,000) £000</b>	Fees (bands of £5,000) £000	Benefits in kind (taxable) <sup>1</sup> to nearest £100 £	<b>Total (bands of £5,000) £000</b>
Jeremy Boss <sup>2</sup>	0-5	-	<b>0-5</b>	0-5	-	<b>0-5</b>
David Corner <sup>2</sup>	0-5	-	<b>0-5</b>	0-5	-	<b>0-5</b>

Notes:

<sup>1</sup> Benefits in kind (taxable) relate to taxable expenses incurred by members in the fulfilment of their commitments to CQC.

<sup>2</sup> Jeremy Boss and David Corner appointed 1 January 2020.

## Remuneration and pension benefits of the Executive Team

### Remuneration

The Chief Executive and members of the Executive Team (ET) are employed on CQC's terms and conditions under permanent employment contracts.

The remuneration of the Chief Executive and the ET members was set by the remuneration committee and is reviewed annually within the scope of the national pay and grading scale applicable to arms' length bodies (ALBs).

For the Chief Executive and ET, early termination, other than for gross misconduct (in which no termination payments are made), is covered by their contractual entitlement under CQC's redundancy policy (or their previous legacy Commission's redundancy policy if they transferred). Contracts of ET members include 3 months' notice and termination payments are only made in appropriate circumstances. They may also be able to access the NHS pension scheme arrangements for early retirement, depending on age and scheme membership. Any amounts disclosed as compensation for loss of office are also included in our [people report](#).

Salary includes gross salary, overtime, recruitment and retention allowances and any other allowance to the extent that it is subject to UK taxation. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

No performance pay, bonus or compensation for loss of office were paid to any member of the ET, or former members, during 2021/22.

The monetary value of benefits in kind covers any payments or other benefits provided by CQC, which are treated by HM Revenue and Customs (HMRC) as a taxable emolument. CQC operates several non-subsidised salary sacrifice schemes, including lease cars and home electronic vouchers, that are open to all permanent CQC staff, including members of the ET. The benefit-in-kind arising from these arrangements are included in this table, but it should be noted that the costs of the scheme are paid for by the employee.

**Remuneration of the ET (subject to audit)**

	2021/22	2021/22	2021/22	<b>2021/22</b>	2020/21	2020/21	2020/21
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	Salary (bands of £5,000) £000	Benefits in kind (taxable) to nearest £100 <sup>1</sup> £	All pension related benefits (bands of £2,500) <sup>2</sup> £000	<b>Total (bands of £5,000) £000</b>	Salary (bands of £5,000) £000	Benefits in kind (taxable) to nearest £100 <sup>1</sup> £	All pension related benefits (bands of £2,500) <sup>2</sup> £000
<b>Ian Trenholm</b> Chief Executive	195-200	600	30-32.5	<b>225-230</b>	195-200	500	-
<b>Prof. Edward Baker</b> Chief Inspector of Hospitals	180-185	-	- <sup>3</sup>	<b>180-185</b>	180-185	-	- <sup>4</sup>
<b>Kirsty Shaw</b> Chief Operating Officer	140-145	2,200	30-32.5	<b>175-180</b>	140-145	7,600	30

<b>Dr Rosie Benneyworth</b> Chief Inspector of Primary Medical Services and Integrated Care	160-165	400	30-32.5	<b>190-195</b>	160-165	-	32
<b>Mark Sutton</b> Chief Digital Officer	140-145	-	32.5-35	<b>175-180</b>	140-145	-	32
<b>Kate Terroni</b> Chief Inspector of Adult Social Care	160-165	-	37.5-40	<b>195-200</b>	160-165	-	32
<b>Tyson Hepple</b> Executive Director of Operations	90-95 <sup>4</sup>	-	7.5-10	<b>100-105</b>			

Notes:

<sup>1</sup> Benefits in kind represent the monetary value of benefits, treated by HMRC as a taxable emolument, provided by CQC. Ian Trenholm, Kirsty Shaw and Dr Rosie Benneyworth have lease cars provided through a non-subsidised salary sacrifice scheme that is open to all permanent CQC staff including members of the ET.



<sup>2</sup> All pension-related benefits calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual. The real increase exclude increases due to inflation or any increases or decreases due to a transfer of pension rights.

<sup>3</sup> Pension-related benefits for Prof. Edward Baker are £nil as he has opted out of the scheme.

<sup>4</sup> Tyson Hepple was appointed on CQC on 9 August 2021, full-year equivalent salary £140-145k.

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## Pension benefits

Pension benefits were provided through the NHS pension scheme for members who chose to contribute. Pension benefits at 31 March 2022 may include amounts transferred from previous employment, while the real increase reflects only the proportion of the time in post if the employee was not employed by CQC for the whole year.

### **Pension benefits of the Chief Executive and ET (subject to audit)**

	Real increase in pension at age 60 (bands of £2,500) £000	Real increase in pension lump sum at age 60 (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2022 (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2022 (bands of £5,000) £000	Cash equivalent transfer value at 1 April 2021 £000	Cash equivalent transfer value at 31 March 2022 £000
Ian Trenholm Chief Executive	2.5-5	-	100-105	-	1,491	1,577
Prof. Edward Baker Chief Inspector of Hospitals	_1	_1	_1	_1	_1	_1
Kirsty Shaw Chief Operating Officer	2.5-5	-	10-15	-	93	127

Dr Rosie Benneyworth Chief Inspector of Primary Medical Services and Integrated Care	2.5-5	(2.5)-0	25-30	30-35	326	364
Mark Sutton Chief Digital Officer	2.5-5	-	5-10	-	67	104
Kate Terroni Chief Inspector of Adult Social Care	2.5-5	-	5-10	-	56	88
Tyson Hepple Executive Director of Operations	0-2.5	-	0-5	-	-	23

Notes:

<sup>1</sup> Pension benefits of Prof. Edward Baker is £nil as he has opted out of the scheme.

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## Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity at CQC to which the disclosures apply.

The CETV figures include the value of any pension benefit in another scheme or arrangement that the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of them purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any potential reduction to benefits resulting from Lifetime Allowance Tax that may be due when pension benefits are drawn.

## Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement).

## Fair pay (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile remuneration of the organisation's employees. Total remuneration of the employee at the 25<sup>th</sup> percentile, median and 75<sup>th</sup> percentile is further broken down to disclose the salary component.

The annualised banded remuneration of the highest paid director in CQC during 2021/22 was £195-200k (2020/21: £195-200k). The relationship of the highest paid director to the remuneration of the organisation's workforce is disclosed in the table below as a pay ratio:

	25 <sup>th</sup> percentile	Median	75 <sup>th</sup> percentile
2021/22			
Total remuneration (£)	36,231	41,319	48,334
Salary component of total remuneration (£)	35,717	40,805	46,644
Pay ratio information	5.5 : 1	4.8 : 1	4.1 : 1
2020/21			
Total remuneration (£)	35,847	41,319	47,158
Salary component of total remuneration (£)	35,548	40,805	46,219

Pay ratio information	5.5 : 1	4.8 : 1	4.2 : 1
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These ratios have remained consistent in accordance with HMT guidance requiring public sector pay awards to comply with a pay pause except for colleagues paid a salary under £24k who were awarded a consolidated pay award of £250 from 1 September 2021.

The percentage change in total remuneration of the highest paid director compared to 2020/21 was an increase 0.1% and for CQC colleagues as a whole was an average increase of 1.7%.

In 2021/22, 4 individuals (2020/21: two), all of whom were engaged as temporary specialist contractors to support our change programme, had annualised equivalent remuneration in excess of the highest paid director. The calculation is based on the full-time equivalent employees of the reporting entity at the reporting period end date, on an annualised basis. Remuneration ranged from £20-25k to £205-210k (2020/21: £15-20k to £215-220k).

Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

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The percentage change in total remuneration of the highest paid director compared to 2020/21 was an increase 0.1% and for CQC colleagues as a whole was an average increase of 1.7%.

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Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

## People report

### 1. Employee costs and numbers (subject to audit)

#### 1.1 Employee costs

	Permanently employed £000	Others £000	<b>2021/ 22 total £000</b>	<b>2020/ 21 total £000</b>
Wages and salaries	126,326	11,035	<b>137,361</b>	<b>137,259</b>
Social security costs	13,551	419	<b>13,970</b>	<b>13,961</b>
NHS pension costs	20,590	71	<b>20,661</b>	<b>20,912</b>
LGPS pension costs	3,448	–	<b>3,448</b>	<b>4,131</b>

Other pension costs	55	20	<b>75</b>	<b>68</b>
Apprenticeship levy	638	-	<b>638</b>	<b>640</b>
Termination benefits	3,014	-	<b>3,014</b>	<b>387</b>
<b>Subtotal</b>	<b>167,622</b>	<b>11,545</b>	<b>179,167</b>	<b>177,358</b>
less capitalised staff costs	(1,503)	(916)	<b>(2,419)</b>	<b>(2,557)</b>
less recoveries in respect of outward secondments	(1,720)	-	<b>(1,720)</b>	<b>(1,960)</b>
Increase in provision for pension fund deficits	2,393	-	<b>2,393</b>	<b>819</b>
<b>Total</b>	<b>166,792</b>	<b>10,629</b>	<b>177,421</b>	<b>173,660</b>

Other employee costs consist of:

	2021/ 22 total £000	Represented 2020/21 total £000
Second Opinion Appointed Doctors	3,131	3,504
Agency	3,212	3,020



Inward secondments from other organisations	1,243	549
Bank inspectors, specialist advisors and commissioners	3,043	589
<b>Total</b>	<b>10,629</b>	<b>7,662</b>

## 1.2 Average number of employees

The average number of whole-time equivalent employees during the year was:

	2021/22 number	2020/21 number
Directly employed	2,944	3,022
Other	47	11
Employees engaged on capital projects	33	30
<b>Total</b>	<b>3,024</b>	<b>3,063</b>

'Other' includes agency staff and inward secondments from other organisations. It does not include bank inspectors, specialist advisors, commissioners or Second Opinion Appointed Doctors that are paid per session.

The actual number of directly employed whole-time equivalents as at 31 March 2022 was 2,982 (31 March 2021: 3,056).

Staff turnover during 2021/22 was 10.4% (2020/21: 7.9%). Turnover dropped during the pandemic, but it has now returned to pre-pandemic levels. Staff turnover is not subject to audit.

### 1.3 Pension information

The principal pension scheme for CQC employees is the NHS Pension Scheme and is used for automatic enrolment. Those not eligible to join the NHS Pension Scheme are enrolled with the National Employment Savings Trust (NEST). Due to legacy arrangements CQC also has active members in 13 local government pension schemes (LGPS).

Automatic enrolment applies to all employees under a standard contract of employment with CQC as well as Mental Health Act Reviewers, Second Opinion Appointed Doctors (SOADs) and all employees on casual or zero-hour contracts. All employees retain the option to opt out at any time.

#### **NHS Pension Scheme**

Past and present employees are covered by the provisions of the 2 NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be 4 years, with approximate assessments in intervening years”. An outline of these follows:

## **a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

## **b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see [Amending Directions 2021](#)) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

Employer contributions for employees in the NHS Pension Scheme was 20.68% of each active member's pensionable pay during 2021/22 (2020/21: 20.68%). This rate includes an amount charged to cover the cost of scheme administration equating to 0.08% of pensionable pay

For early retirements, other than those due to ill health, the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs charged to expenditure was £nil (2020/21: £nil).

## **Local government pension schemes (LGPS)**

LGPS are primarily open to employees in local government, but also to those who work in associated organisations. The scheme is managed locally and invests pension funds within the framework of regulations provided by government.

CQC inherited active membership in 17 local government schemes as part of legacy arrangements of predecessor organisations on formation. CQC membership in 4 of the original schemes have now ceased and at 31 March 2022 active membership was held in 13 schemes. On 18 April 2021, active membership ended in the Hampshire Pension Fund, resulting in a cessation charge totalling £2,300k being payable which was equal to the actuarial assessed pension liability on that date.

All remaining schemes are closed to new CQC employees. Under the projected unit method, the current service cost will increase as the members of the scheme approach retirement.

Employer contributions for 2021/22, based on a percentage of payroll costs only, were £2,496k (2020/21: £2,652k), at rates ranging between 0% and 49.2% (2020/21: 0% and 49.2%). Employer contributions relating to the largest scheme, Teesside Pension Fund, were £2,239k (2020/21: £2,403k) at a rate of 17.9% (2020/21: 17.9%).

During 2021/22, indexed cash sums were levied in addition to a percentage of payroll costs as part of a strategy to reduce fund deficits. In total, £994k (2020/21: £1,479k) was paid to 7 of the 14 remaining pension funds, including Hampshire Pension Fund, with amounts ranging from £14k to £515k (2020/21: £6k to £515k). No additional sums were paid in respect of the largest scheme, Teesside Pension Fund.

## **National Employment Savings Trust (NEST)**

The National Employment Savings Trust is a qualifying pension scheme established by law to support automatic enrolment.

Employer contributions based on a percentage of payroll costs totalled £75k for 2021/22 (2020/21: £68k) at a rate of 3% (2020/21: 3%).

## **2. Exit packages (subject to audit)**

To support the implementation of our new strategy and operating model, we have carried out management of change restructures in our Intelligence and Operations directorates. Management of change is an established process allowing individual colleagues to evaluate their skill sets against future organisational needs and, if appropriate, to take voluntary redundancy. The process also allows for a skills audit and includes opportunities for retraining and support in the new organisation structure. These restructures have led to an increase in the number and cost of exit packages being recognised in 2021/22 and have been subject to GAC approval. This includes a higher number of colleagues opting to take voluntary redundancy and early retirements, an analysis of which are included in the analysis of other departures table below.

Redundancy and other departure costs are paid in accordance with CQC's terms and conditions approved by DHSC's Governance and Assurance Committee (GAC). Where early retirements have been agreed, the additional costs are met by CQC and not by the individual pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the exit packages table below.

The table below shows the total cost of exit packages agreed and accounted for in 2021/22 (2020/21 comparative figures are also presented). Exit costs of £575k were paid in 2021/22, the year of departure (2020/21: £181k).

	2021/22	2020/21	2020/21	2020/21	<b>2020/21</b>	<b>2020/21</b>
Exit package cost band	Compulsory redundancies	Other departures	Total exit packages	Total exit packages	<b>Total exit packages</b>	<b>Total exit packages</b>
Exit package cost band	Number	£	Number	£	<b>Number</b>	<b>£</b>
Less than £10,000	1	3,551	4	20,478	<b>5</b>	<b>24,029</b>
£10,000 – £25,000	3	51,314	18	281,763	<b>21</b>	<b>333,077</b>

£25,001 – £50,000	6	225,750	7	228,434	<b>13</b>	<b>454,184</b>
£50,001 – £100,000	–	–	5	359,792	<b>5</b>	<b>359,792</b>
£100,001 – £150,000	2	259,710	7	843,931	<b>9</b>	<b>1,103,64</b>
£150,001 – £200,000	1	178,799	3	500,264	<b>4</b>	<b>679,063</b>
More than £200,000	–	–	–	–	–	–
<b>Total</b>	<b>13</b>	<b>719,124</b>	<b>44</b>	<b>2,234,662</b>	<b>57</b>	<b>2,953,78</b>

None of the exit packages relate to individuals named in the Remuneration report (2020/21: none).

**Analysis of other departures:**

	2021/22	2020/21	2020/21	2020/21
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	Agreements Number	Total value of agreements £000	Agreements Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	42	1,947	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of service contractual costs	2	288	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following employment tribunals or court orders	-	-	-	-



Non-contractual payments requiring HM Treasury approval	-	-	-	-
<b>Total</b>	<b>44</b>	<b>2,235</b>	-	-

No non-contractual payments (£nil) were made to individuals where the payment value was more than 12 months of their annual salary.

### 3. Off-payroll engagements

As part of the Review of the tax arrangements of public sector appointees we are required to publish (via the Department of Health and Social Care) information about the number of off-payroll engagements that are in place where individual costs exceed £245 per day.

	Number
<b>Number of existing engagements as of 31 March 2022</b>	<b>42</b>
Of which, the number that have existed, at the time of reporting:	
for less than 1 year	31
for between 1 and 2 years	10
for between 2 and 3 years	1

for between 3 and 4 years	-
for 4 or more years	-

The table below shows all off-payroll appointments engaged at any point between 1 April 2021 and 31 March 2022 that were for more than £245 per day:

	Number
<b>Number of temporary off-payroll workers engaged between 1 April 2021 and 31 March 2022</b>	<b>49</b>
Of which:	
number not subject to off-payroll legislation	2
number subject to off-payroll legislation and determined as in-scope of IR35	47
<b>Of the temporary off-payroll workers engaged between 1 April 2021 and 31 March 2022:</b>	
number engaged directly (via a Personal Service Company contracted to CQC) and are on our payroll	-
number of engagements reassessed for consistency or assurance purposes during the year	42

number of engagements that saw a change to IR35 status following the consistency review	-
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During the year there were 16 individuals who were Board members and senior officials with significant financial responsibilities, none of which were engaged off-payroll.

We are committed to building in-house capacity, but it is recognised that, with a significant element of our activity being project based, with peaks and troughs in requirements, making the best use of the temporary labour market is essential. Many of the workstreams within our change programme require specialist input on a temporary basis, and it is not always cost-effective to permanently recruit such skills. In year we have seen an increase in our off-payroll engagements, which have enabled us to drive forward our transformation programme.

All existing engagements at 31 March 2022 have received approval from DHSC. We continue to improve our assurance processes so that we categorise all engagements in line with best practice and to ensure that we remain compliant with HMRC's off-payroll working rules.

## 4. People plan

### A great employee experience

The core focus of the People Plan is to contribute to making CQC a really great place to work now and in the future, while laying the foundations for how we transform the organisation to deliver our organisational purpose in the years to come

Our People Plan was developed in 2020 and focuses on 6 priorities: employee experience; reward and recognition; leading change; line management capability; diversity and inclusion and employee insight. We have delivered against all major milestones and started to reframe to focus for the next stage of our transformation to reflect the strategic people priorities and cultural ambitions of the organisation going forward.

## 5. People policies and engagement

Our people are involved in a wide range of consultation and engagement on policies on areas such as organisational change and future strategic direction, to make sure all views are heard.

We recognise UNISON, the Royal College of Nurses, the Public and Commercial Services Union (PCS), Unite and Prospect for the purposes of collective bargaining and consultation. Representatives from across the unions make up our Joint Negotiation and Consultation Committee (JNCC). CQC's management collaborates with the JNCC on a range of issues affecting employees.

We also have a forum that represents the voices of all people in the organisation (the staff forum). Representatives come together to update the management team on the views of colleagues.

All our People Management policies are legally compliant and follow the Advisory, Conciliation and Arbitration Service (ACAS) code of practice and best practice.

We are currently carrying out a review of our People Management policies to check against best practice for Equality Act 2010 compliance. Supporting all our employees is at the heart of our organisational approach, including those with a disability alongside other colleagues with protected characteristics. More specifically, Managing Sickness Absence, Critical Illness, and our Reasonable Adjustments policies all make reference to the support available to employees with a disability.

Supporting and equipping line managers remains a high priority with individual coaching and support provided by Senior HR Advisors, Advice & Guidance when a case arises, supplemented with briefings and presentations at team meetings.

We regularly review our people management policies to make sure they meet best practice guidelines, reflect changes to the culture of CQC, and enable us to support all colleagues to develop. Through our Equality Impact Assessment (EIA) framework, we ensure all our policies are accessible and that they promote inclusion for everyone. In our reviews we always consult with representatives from the People directorate, the unions, the staff forum and the equality networks. As part of our commitment to developing high-quality policies that follow best practice, we partnered with Mind and Stonewall and sought their feedback at the start of the review. We will continue to engage with these groups to ensure these policies and procedures are updated in accordance with changes to legislation, with the EIA refreshed annually to monitor performance and put in place improvements where appropriate.

We currently have 5 fully supported staff equality networks at CQC. Our networks are key in supporting with the delivery of our Diversity and Inclusion strategy and Mental Health and Wellbeing strategy priorities and contributing effectively to organisational improvement. Our network chairs have a seat at Board meetings and are given protected time for their Chair and Vice Chair roles and network activities.

All of our People Plan activity contributes to developing an inclusive culture where people can perform at their best and work in a way that supports physical and mental wellbeing.

We engage a wide network of colleagues regularly on diversity and inclusion and mental health and wellbeing to embed healthy and inclusive ways of working. Our assurance of best practice and continuous development comes through our benchmarking activity including Mind's Workplace Wellbeing Index, Stonewall and other benchmarking groups.

In response to the pandemic, we have increased our focus on mental health, working with colleagues with lived experiences and using the Mental Health at Work commitment standards to inform our approach.

We have appointed our own CQC Freedom to Speak Up Guardian, who are supported by a team of Freedom to Speak Up Ambassadors drawn from all parts of CQC. This assists us in our commitment to have an open culture where staff can raise any concerns they have. The help ranges from just listening, to signposting, to investigation of whistleblowing concerns. The CQC Guardian reports to the Board twice yearly and their role includes identifying themes and trends across the organisation.

We continue to have good working relations with our joint trade union colleagues. We have met regularly both formally and informally discussing and exploring a wide range of topics. We are engaged fully on all aspects of the transformation and this will continue for the duration.

## 6. Equality, diversity and inclusion

Our collective capacity to achieve our purpose is enabled through a healthy and engaged workforce, and as a regulator of health and social care it's important that we exemplify good practice. Our People Plan enables a clear focus on activity that enables this, including Diversity and Inclusion and Wellbeing strategies.

Our colleagues work in a variety of roles across the organisation including in inspection teams, in our customer contact centre and in corporate or data and insight roles to support our regulatory activity. Having highly dispersed teams creates its own challenges and complexities in ensuring our diversity and inclusion ambitions reach all our people and everyone feels a sense of belonging to the organisation.

We are fully committed to ensuring we meet our legal responsibilities under the Equality Act 2010. Our approach and commitment to diversity and inclusion includes and goes beyond our legal responsibilities.

'Our inclusive future' is CQC's 3-year strategy, launched in 2020, focusing on diversity and inclusion for our colleagues and within our teams. The strategy sets out our ambition to achieve our vision of being a truly inclusive organisation where all our people are valued and make a difference.

We have 4 overarching strategic priorities to position diversity and inclusion at the heart of everything we do:

- inclusive leadership and accountability
- inclusive culture
- inclusive engagement
- inclusive policies and practices.

We believe this approach ensures that actions are not just delivered but embedded in our day-to-day work.

Through setting our priorities in this strategy, we will be open and transparent and show our commitment to providing a fair and inclusive environment for all colleagues. We will engage and work with our Equality Networks and locally embedded Diversity and Inclusion Coordinators to implement cross-organisational priorities of the strategy. Together we will inspire and encourage colleagues to view their work through an inclusion lens, to make sure our workforce represents the public we work hard to protect, and our people feel able to be their best at work.

## 6.1 Equality profiles

The table and graphs below show CQC equality profiles as at 31 March 2022:

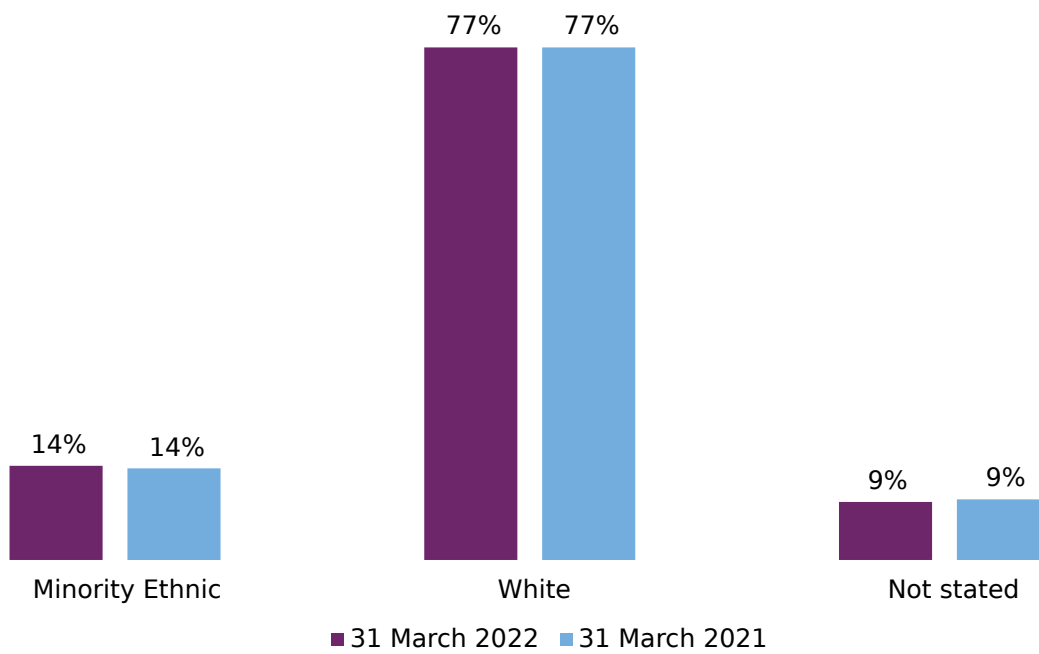
	2021/22	2020/21	2020/21	<b>2020/21</b>	2020/21	2020/21
	Board members and Executive Directors	Directors	Other employees	<b>Total employees</b>	Board members and Executive Directors	Directors

Male	10	9	898	<b>917</b>	9	8
Female	5	18	2,174	<b>2,197</b>	4	19

## Ethnicity

Chart

Data table



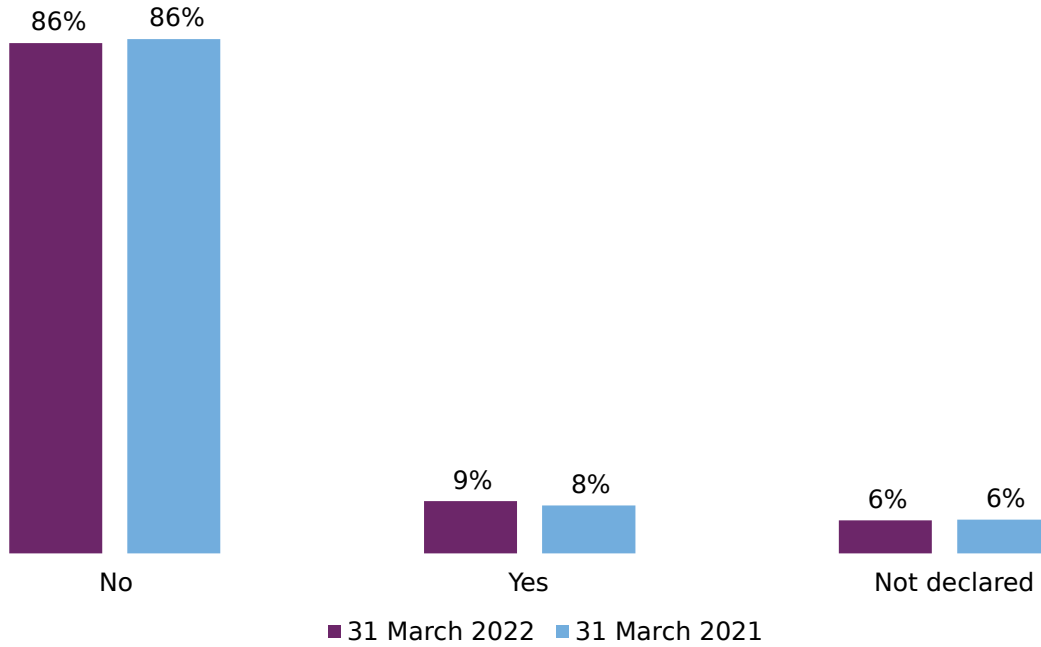
	31 March 2022	31 March 2021
Minority Ethnic	14%	14%
White	77%	77%
Not stated	9%	9%



## Disability

Chart

Data table

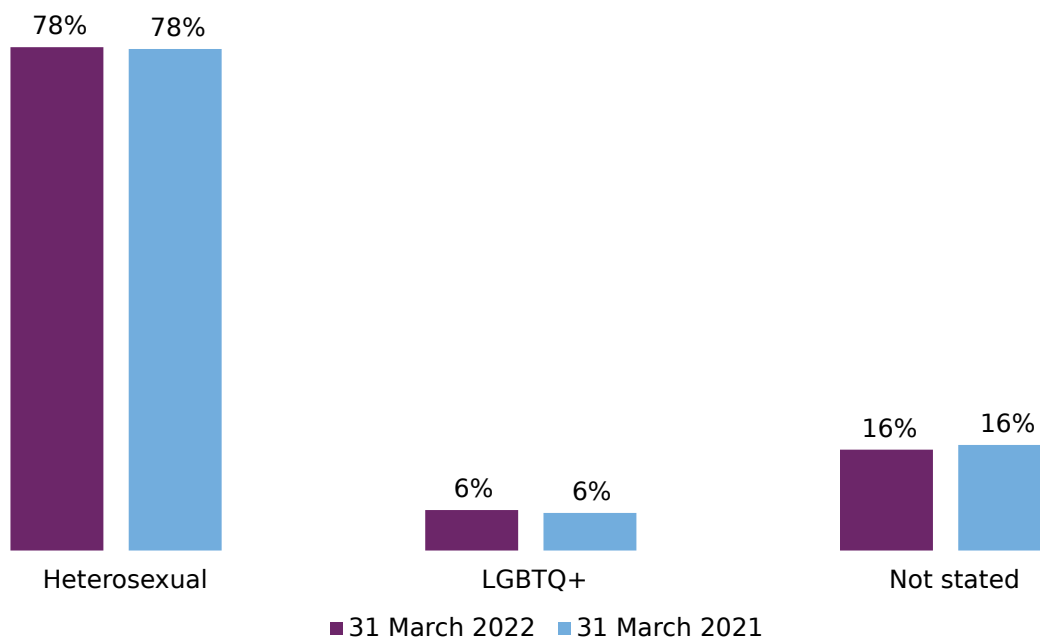


	31 March 2022	31 March 2021
No	86%	86%
Yes	9%	8%
Not declared	6%	6%

## Sexual orientation

Chart

Data table

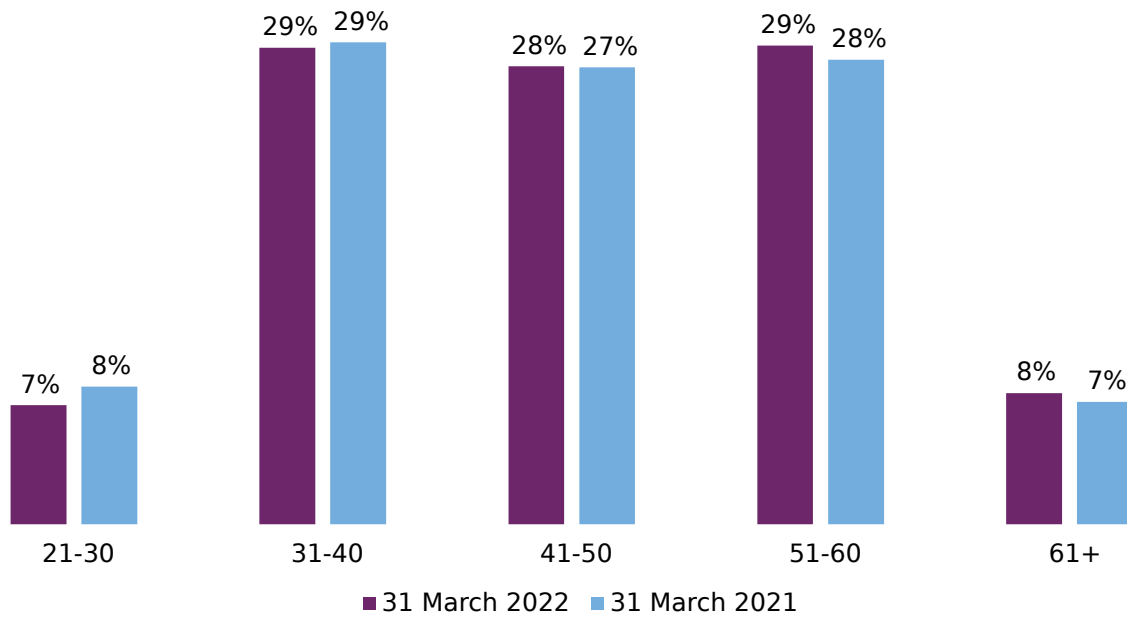


	31 March 2022	31 March 2021
Heterosexual	78%	78%
LGBTQ+	6%	6%
Not stated	16%	16%

## Age band

Chart

Data table

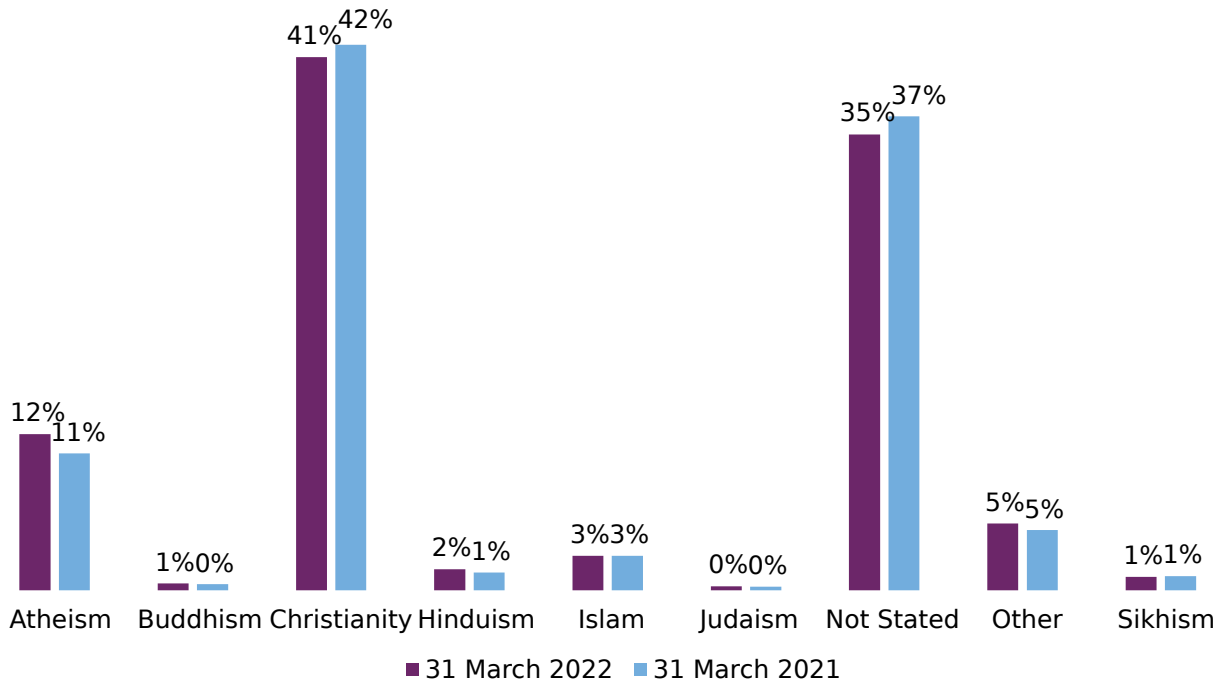


	31 March 2022	31 March 2021
21-30	7%	8%
31-40	29%	29%
41-50	28%	27%
51-60	29%	28%
61+	8%	7%

## Religious beliefs

Chart

Data table



	31 March 2022	31 March 2021
Atheism	12%	11%
Buddhism	1%	0%
Christianity	41%	42%
Hinduism	2%	1%
Islam	3%	3%
Judaism	0%	0%

Not Stated	35%	37%
Other	5%	5%
Sikhism	1%	1%

## 6.2 Gender pay gap

The gender pay gap gives a snapshot of the gender balance in an organisation. It measures the difference between the average earnings of all male and female employees, irrespective of their role or seniority.

As at 31 March 2022, the gender split in CQC was 70.2% female employees to 29.8% male employees, and this was closely replicated across the quartile data (31 March 2021: female 69.6%, male 30.4%).

The data shows that there is no gender pay gap in median pay at CQC, as employees are paid within salary bands and the rate of pay is virtually the same across all quartiles. When comparing mean (average) hourly pay, women's mean hourly pay is 2.5% lower than men's. Although this means the pay gap has increased slightly in mean pay, our pay gap continues to be small and we therefore plan to monitor it over the coming months and put in any measures we need to if we do not see an improvement.

No data is included in CQC's gender pay gap reporting for bonuses as CQC does not pay performance-related bonuses.

Mean pay gap – ordinary pay	2.5%
Median pay gap – ordinary pay	0%

Mean pay gap – bonus pay in the 12 months ending 31 March 2021	n/a		
Median pay gap – bonus pay in the 12 months to 31 March 2021	n/a		
The proportion of male and female employees paid a bonus in the 12 months to 31 March 2021	Male	n/a	
	Female	n/a	
Proportion of male and female employees in each quartile:			
	<b>Quartile</b>	<b>Male</b>	<b>Female</b>
	First (lower) quartile	33.69%	66.31%
	Second quartile	26.25%	73.75%
	Third quartile	26.09%	73.91%
	Fourth (upper) quartile	33.12%	66.88%

## 7. Trade union facility time

We work in partnership with trades union representatives on all matters affecting our people. Regular Joint Negotiation and Consultation Committee (JNCC) meetings are held every quarter comprising representatives from our People directorate, senior leadership team and trade union representatives from CQC alongside external national union officers. This forum allows discussion, consultation and negotiation on employment-related matters.

Our people are permitted to engage in appropriate trade union activities. Details are below:

### Relevant union officials

<b>Number of employees who were relevant union officials during the relevant period</b>	<b>Full-time equivalent employee number</b>
26	25.6

### Percentage of time spent on facility time

<b>Percentage of time</b>	<b>Number of employees</b>
0%	3
1-50%	23
51-99%	-

100%	-
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### Percentage of pay bill spent on facility time

Total cost of facility time	£32k
Total pay bill	£177,581k
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.02%

### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (Total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	23.6%
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## 8. Sickness absence

During 2021/22, the average number of long-term days of sickness per absent employee was 10 (2020/21: 15 days) and the average number of short-term days of sickness was 5 (2020/21: 3 days).

## 9. Health and safety



During 2021/22 we continued to implement our response to COVID-19 to support the safe operation of the business and staff and to allow us to respond quickly and effectively to new and emerging risks.

## Personal protective equipment

A contract was established with our existing supplier, Banner, to provide personal protective equipment to inspectors as and when required, to ensure they had plentiful supplies for inspections.

## Risk assessments

An Inspection risk assessment was developed to ensure that when inspectors need to cross the threshold of a provider's premises, they were fully assessed and safe. The assessment continues to be updated to reflect new ways of working during this time. This includes guidance from DHSC and UKHSA regarding testing and self-isolation prior to crossing the threshold of a health and care provider.

An Individual risk assessment was developed in response to the 'Disparities in the risks and outcomes of COVID-19' document released by Public Health England (now UKHSA), which detailed the health inequalities of COVID-19 for specific groups of the population. Each colleague is asked to complete this assessment to determine how best CQC can support them.

## Testing for inspectors

Weekly Polymerase Chain Reaction (PCR) testing was introduced for colleagues crossing the threshold. Test kits were received into Newcastle and distributed across the country. Supporting guidance and training materials were produced to support colleagues. All test outcomes were recorded on Cygnum, CQC's time management tool. This requirement came to an end on 16 February 2022.

Additionally, Lateral Flow Tests (LFTs) were introduced to enable everyone crossing a threshold of a health and care setting to test themselves on the morning of their visit. The LFT testing regime provides further assurance to colleagues and providers that they are not COVID-19 positive prior to entering the care setting. This is an ongoing requirement.

## Keeping our workplaces safe

Following government guidance regarding working from home, our offices re-opened to colleagues during periods of 2021. A number of control measures were put in place to ensure colleagues could work safely – for example, limited desk availability, reduced meeting room capacity, one-way systems, enhanced cleaning and sanitising stations, and the ventilation systems were checked by landlords to ensure optimum operating levels. The office risk assessments and emergency arrangements were reviewed to reflect the new arrangements.

## Vaccination programme

A determined effort was made to encourage all colleagues to take up both COVID-19 and flu vaccinations. Seventy-eight per cent of colleagues have had their first vaccination, 75% have had their second vaccination, and 66% have had their flu vaccination.

## 10. Expenditure on consultancy

Total spend on consultancy services, as defined by HM Treasury, during 2021/22 was £135k (2020/21: £659k) and was subject to approval from DHSC in line with our delegations. This spend was driven by the development of our new strategy.