

# Regulatory impact assessment

Our purpose is to ensure health and social care services provide people with safe, effective, compassionate, high-quality care and to encourage those services to improve.

In doing our job, we have to be particularly careful about what we do and how we do it. We seek to identify regulatory solutions that do not impose unnecessary costs on those we regulate.

We consider the regulatory impact of our proposed approach to:

- integrated care boards
- health and social care providers
- local authorities
- the public
- innovation and sustainable economic growth.

This is our initial view for considering regulatory impact. We will use consultation responses to develop our view. We will publish a final regulatory impact assessment along with our consultation outcome.

## Impact on integrated care boards

In our proposed approach, each integrated care board will pay an annual regulatory fee to CQC for assessing integrated care systems.

We anticipate an integrated care board's direct costs associated with our proposed approach is likely to be the:

- administrative cost of paying an annual regulatory fee
- financial cost of the regulatory fee itself.

We consider the administrative cost of paying a regulatory fee to be minimal.

See:

- how we calculate fees for [our proposed approach](#). The estimated total regulatory cost for 2024/25 (£5.5 million) includes data from our integrated care system pilot assessments. We used this data to financially model regulatory costs for 2024/25.
- the [table of proposed regulatory fees for 2024/25](#) (These proposed fees are subject to change.)

Our calculations for our proposal for all integrated care boards in 2024/25 show:

- Shropshire, Telford and Wrekin has smallest running cost allowance. Proposed proportionate regulatory fee = £46,620.
- North East and North Cumbria has the largest running cost allowance. Proposed proportionate regulatory fee = £289,368.
- Greater Manchester has the second largest running cost allowance. Proposed regulatory fee = £275,217.

## Impact on health and social care providers

We consider our proposed approach has no direct financial or regulatory impact on health and social care providers.

## Impact on local authorities

We consider our proposed approach has no direct financial or regulatory impact on local authorities.

## Impact on the public

We consider our proposed approach has no direct financial or regulatory impact on the public.

## Impact on innovation and economic growth

In [our strategy](#) we commit to driving improvements across individual services and systems of care. We recognise that innovative practice and technological change present an opportunity for rapid improvement in health and social care. We also have a role in creating a culture where innovation can flourish. We aim to be an outcomes-focused regulator. We want to encourage and champion innovation and technology-enabled services where:

- they benefit people
- the innovation results in more effective and efficient services.

[The Deregulation Act 2015](#) imposes the 'Growth Duty' on any person exercising a regulatory function. This means we should have regard for the desirability of promoting economic growth. We must exercise our regulatory activity in a way that ensures any action we take is proportionate and only taken when needed.

We consider our proposed approach aligns with our legislative requirements in the Deregulation Act 2015. It is also consistent with our strategy commitment to encourage innovation.

Our proposed approach has a direct financial and regulatory impact for 42 integrated care boards. The financial cost is approximately 0.6% of an integrated care board's running cost allowance. This should not significantly reduce the opportunity for integrated care systems to promote innovation and support sustainable economic growth in the health and social care sector. We consider any administrative cost involved in paying an annual regulatory fee to be minimal. This is notwithstanding the existing financial context within which the integrated care board is operating.

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