Developing a proactive approach to encouraging innovation

IFF Research
on behalf of the Care Quality Commission

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Contents

1 Glossary

Key term	Definition
Assessment Framework	Implemented in 2022, the CQC Assessment Framework[1] (previously known as the "Single Assessment Framework") is designed to assess the quality of care provided by health and social care services in England. It consists of five key questions that assess whether services are: Safe, Effective, Caring, Responsive to people's needs and Well-led. The Framework is currently under review.
Compliance	Where organisations follow the regulations and guidelines as set out by the regulator, as well as any relevant laws or government policy.
Counterfactual	Considering what would have been the result if events had happened in a different way to how they actually happened.
EDI (Equality, Diversity and Inclusion)	Refers to the commitment of organisations and institutions to fair treatment and opportunity for all. It aims to eradicate prejudice and discrimination on the basis of an individual or group of individuals' protected characteristics.
Enforcer	Regulators are enforcers: they have the power to make organisations comply with their stipulated regulations and guidelines. They can take action where there is non-compliance.
Equality impact assessment	Also sometimes referred to as equality screenings. Assessments that explore and determine the potential impact of innovations on specific groups of people.
Experts by experience	People who have recent personal experience of using or caring for someone using the relevant services (in this case, health or social care).
Impact mechanism	Eight mechanisms as identified in a report authored by The King's Fund and Alliance Manchester Business School for the Department of Health Policy Research Programme.[2] The mechanisms describe the various processes by which regulatory action can influence the decision-making and actions of the organisations CQC regulates.

[1] Assessment framework - Care Quality Commission
[2] Impact Of The Care Quality Commission On Provider Performance | The King's Fund

Innovation	Anything new that impacts people who use services or aims to produce more effective and efficient service. For CQC, this can involve both invention (creating new ideas, products, services or models of care) and adoption (implementing what has worked elsewhere). Along with new technologies, innovations can include new workplace practices, communication approaches, staff support, information and guidance, and/or system changes.
Provider	An individual health and/or social care provider that is part of a broader system, e.g., a hospital or care home.
Quality Statement	Outlined in the Assessment Framework, these lay out the standards CQC expects providers, commissioners and system leaders to live up to. In practice, they are used by inspectors as an assessment criteria to measure provider performance.
Regulatory sandbox	Tools used by regulators which allow organisations to test and develop new products, services, or practices in a controlled and monitored environment. They often mean the suspension of certain rules or regulations in order to give greater freedom for participating organisations to try out new methods.
Regulated entities	Refers to the organisations that a regulator is responsible for regulating (which may be organisations or groups of professionals).
Systemic issues	A problem that is deeply rooted in the structure or culture of an organisation, sector or society at large.

2 Executive summary

Introduction

The Care Quality Commission (CQC) has a responsibility to encourage the improvement of health and social care services through the work they do, and this is reaffirmed in its purpose statement as part of the 'CQC Way'.[3] CQC has also made a commitment to providers and systems of care to help them innovate and improve.[4] CQC understands that innovation plays an important role in improvement. For CQC, 'innovation' does not just mean creating or using new technologies. It also means trying out new ways of working, organisational structures and cultural changes.

Encouraging innovation involves creating an environment where safe innovation can flourish, leading to better outcomes for people who use health and social care services. Actions taken by the regulator can also contribute to building public trust in the use of innovative technologies. CQC's current Assessment Framework (in review) already encourages organisations to demonstrate 'continuous learning, innovation and improvement', but the approach to assessing and encouraging innovation can take a number of forms in practice.

CQC asked IFF Research to find out what approaches they could reasonably adopt to encourage and enable innovation, whilst managing any potential risks that come along with this. The research involved qualitative interviews with regulators in the UK and other countries, as well as with CQC staff, informed by a light-touch document review and input from experts by experience.

24 in-depth interviews were conducted with regulators across different sectors (health care, social care, education, energy), countries (UK, Ireland, the Netherlands, Singapore) and regulator types (regulators of professionals, providers and quality/safety regulators). The focus of the interviews was to explore the different approaches regulators used to encourage and support innovation. Where findings refer to the opinions of CQC staff, please note that this is based on a small sample size (5 interviews plus a staff workshop), which may not represent the collective view of the CQC.

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[3] 'The CQC Way' is also known as CQC's Commitments, Values and Behaviours https://www.cqc.org.uk/about-us/our-purpose-role/who-we-are

[4] The full commitment statement is as follows: "We work with health and care providers and wider care systems to improve the quality and equity of care. We set clear, evidence-based expectations, and we identify and respond to risk early. We encourage innovation and improvement by building strong, trusted relationships and using data and insight."

Key findings

Context for innovation among regulators

Most regulators understood innovation in the same ways as CQC. They saw it as not only including new technologies and ways of doing things but also involving adoption as well as creation. Some regulators used 'improvement' instead of 'innovation' as they felt improvement to be a softer way to promote innovation. CQC may therefore want to explain the relationship between improvement and innovation more clearly and then communicate this across the organisation. It was clear from CQC staff that the current CQC definition of innovation is not understood consistently across the organisation.

Facilitators to encouraging innovation include: positive relationships with regulated entities, having enough staff time and availability across different disciplines, involving members of the public, working with other stakeholders and creating an internal culture of innovation. Since it is large and has a wide reach, CQC is in a strong position to be a leader in encouraging innovation. To support this, CQC should consider how to include the key facilitators referenced in its future plans, especially building relationships with providers.

There is a tension between encouraging innovation and managing risk. Not all regulators were focused on *encouraging* innovation (sometimes due to being smaller). These regulators often felt that their role was to check that any innovations introduced were compliant with legislation, and manage any risks associated with innovation. However, some regulators emphasised that accepting failure and the potential for risk are necessary conditions for improving through innovation. To manage this, regulated entities should be made aware of how they can innovate safely and within the limitations of legislation, as well as communicate any potential risk to service users.

Regulators took different approaches to managing the risk new innovations pose to Equality, Diversity and Inclusion (EDI), such as recruiting diverse staff, conducting research among service users and professionals, and assessing specific outcomes during inspections relating to equality of opportunity. Impact assessments were also often referenced, but there were mixed opinions on whether these should be conducted by the regulator or the regulated entity. Impact assessments were viewed as particularly important if the innovation is likely to negatively affect a specific group, but they are also acknowledged to require a high resource investment. CQC could consider sharing guidance on the circumstances in which impact assessments should be used and how to conduct them.

There is a gap in knowledge when it comes to understanding the impact of encouraging innovation. Very few regulators formally measure the impact of their work in encouraging innovation or the impact of regulated entities' innovations. This is because of the cost and the challenge of linking results directly to activities (e.g. lack of a counterfactual[5] and confounding factors[6]). Since the challenges depend on the approach used to encourage innovation, CQC will need to decide how important it is to measure impact when prioritising approaches to take.

Approaches to encouraging innovation

Eight main approaches to encouraging innovation were identified through the document review and interviews with regulators. The strengths, limitations and barriers, relevance for CQC and potential impact of each approach are summarised in this section.

Sharing examples of good practice or case studies and encouraging others to do the same emerge as two of the most relevant approaches for CQC. These are approaches that CQC already have some experience in delivering. They can support the spreading of innovative practices and encourage a culture of shared learning and collaboration. However, in order to lead to greater impact, these should be used in combination with the other approaches listed.

There is an opportunity to create a service providing advice for innovation regulatory queries, which could help CQC clarify their stance on innovation while giving providers confidence to innovate. However, it will be crucial to consider the consequences that offering such a service could have on resource available to carry out CQC's core regulatory functions. It would also be important to set clear boundaries for the advice offered, for example, focusing on queries related to innovation principles in the Assessment Framework and providing advice on the regulations and how to innovate safely, as opposed to advice on what or how to innovate. It's important to note that CQC staff felt that CQC should encourage innovation, but should not have any investment in specific innovations undertaken by providers, given CQC's independent regulatory role.

[5] Lack of a counterfactual means lack of a clear comparison group to show what would have happened if the innovation had not been introduced.
[6] Confounding factors means other things that might have influenced the results of the innovation, making it hard to tell whether any changes were really due to the innovation itself.

Sharing good practice and/or case studies

Regulators communicate particularly strong examples of good practice from regulated entities with others. A variety of methods can be used to share good practice, for example via a regulator's website, during meetings, within inspection reports or via social media.

Strengths of the approach

- Strengthens relationships between regulated entities and regulators outside of inspections.
- Allows useful innovations to spread and creates a culture of shared learning and innovation.
- Presents the opportunity to share examples beyond good practice, such as examples of innovating safely or learning from failures.

Limitations and barriers of the approach

- The good practice examples that are shared may not be accessed by regulated entities, as they may naturally turn to other sources for this information instead.
- Sourcing good practice examples in the first place may prove difficult.
- Use of the term "good" to describe practice might need a clear definition.

Relevance of the approach for CQC

This approach is of **high** relevance for CQC. CQC have already used this approach, e.g. in their "Smiling matters: oral health care in care homes" report. CQC staff have evidence that there is interest amongst providers for them to share good practice.

Sharing good practice and case studies is a useful approach to promoting innovations to spread, but focuses on sharing information, rather than encouraging direct action. The potential impact would therefore be limited if introduced in isolation. To maximise impact, this approach needs to be combined with other, more direct approaches to encouraging innovation.

Encouraging others to share good practice

Regulators encourage regulated entities to share good practice and/or case studies with each other, e.g. via events or a digital platform.

Strengths of the approach

- Strengthens relationship with and between regulated entities and provides a safe space for communication about what is working well and any challenges experienced.
- Allows useful innovations to spread and creates a culture of shared learning and innovation.
- Potentially needs a lower resource investment than regulators sharing good practice themselves.
- Reduces the risk of damaging the regulator's reputation since the regulator is not seen to be endorsing a specific practice.
- Presents the opportunity to share examples beyond good practice, such as learnings from failures.

Limitations and barriers of the approach

- Regulated entities might not want to share good practice examples with competitors due to fear of losing their competitive advantage.
- Regulated entities could be concerned about unintended consequences related to regulators learning about failures or challenges they have faced.

Relevance of the approach for CQC

This approach is of **high** relevance for CQC. One of CQC's six innovation principles is that providers should share their learning.

Encouraging others to share good practice is a useful approach to promoting innovations to spread, but focuses on sharing information, rather than encouraging direct action. The potential impact would therefore be limited if introduced in isolation. To maximise impact, this approach needs to be combined with other, more direct approaches to encouraging innovation.

Programmes to drive commitments to cultural change on systemic issues

Proactive outreach programmes offered by regulators to engage regulated entities on a systemic issue (e.g. misogyny or racism towards patients) and encourage non-regulatory commitments to a culture change that addresses the issue and leads to system-level change. Programmes are made up of activities, such as developing resources, online videos, running workshops.

Strengths of the approach

- Allows regulator activity to support innovation in an area they see as important for the whole system.

Limitations and barriers of the approach

- The creation and delivery of a full programme require a large resource investment.
- A specific area of change needs to be identified for the approach to be appropriate.
- It can be challenging for regulated entities to accept regulators are genuinely looking to help, which can impact the reception of such programmes (but external experts can be used to enhance credibility).

Relevance of the approach for CQC

This approach is of **medium** relevance for CQC. It sits within CQC's role and could be achieve through a "light touch" approach that does not involve developing a full programme. For example, putting on a small number of events or using existing reports to share resources.

Programmes to drive cultural change have the potential to encourage pronounced change throughout a whole system.

Encouraging others to work together

Regulators supporting and enabling regulated entities to work with each other towards innovation. For example, through creating working groups around a specific issue that impacts the whole sector.

Strengths of the approach

- Creates a united approach for identifying risks that could impact the whole sector.
- Allows regulated entities to combine resources to tackle these risks together.
- Allows larger organisations to share insights with smaller organisations or organisations who have less experience with innovation.
- Creates an environment of psychological safety as regulated entities are exploring and learning together.

Limitations and barriers of the approach

- Requires setting a specific agenda to work together on.
- It can take a long time for approaches to be agreed upon due to lengthy and varied decision-making processes across regulated entities.
- There is some tension in the role of a regulator within these groups, as they can provide some influence but will later have to review the regulated entities.
- It may be more challenging for the regulator to select which regulated entities should be part of a collaborative group if they oversee a large number of them.

Relevance of the approach for CQC

This approach is of **high** relevance for CQC. CQC could build this approach into their Well Led Reviews, an existing mechanism for assessing how well providers work with other organisations. There could be a role for other bodies, such as Integrated Care Boards (ICBs), here as well within their local areas, given they each have a smaller pool of providers to work with.

If an issue that impacts the whole sector can be identified, this could be a powerful tool to address it.

Advice for innovation regulatory enquiries

Dedicated portals where regulated entities are encouraged to post specific queries relating to innovation and legislation, which regulators respond to with advice.

Strengths of the approach

- Strengthens relationships between the regulator and those seeking advice.
- Can see what innovations are taking place within the sector.
- Can provide regulated entities with the confidence and information they need to innovate in line with rules and do so safely.
- Can be used by regulators to make their role regarding innovation clear.

Limitations and barriers of the approach

- Requires a large resource investment (though existing resource for inbound queries could be utilised if available).
- Runs the risk of not being used if there are not strong, trusted relationships between regulator and providers.

Relevance of the approach for CQC

This approach is of **medium** relevance for CQC. CQC can utilise existing inbound query services to introduce an innovation regulatory advice portal for innovation. They could use a service like this to clearly communicate their role in relation to innovation. However, it will be important to consider consequences of offering this service on resource dedicated to fulfilling CQC's core regulatory function. Furthermore, some CQC staff thought that they may need stronger relationships with their providers to encourage them to use the service.

The potential impact depends on the level of use by regulated entities. However, it can be useful to communicate that innovation is expected and accepted and therefore help regulated entities feel more comfortable when they innovate.

Bespoke innovation support/coaching

Bespoke packages of support are offered to regulated entities who require tailored coaching on a specific innovation.

Strengths of the approach

- Regulated entities receive custom support for their innovation.
- Strengthens relationships between regulators and the regulated entities who participate in the coaching.
- Allows regulators to easily measure the impact of the approach because they can receive immediate feedback.

Limitations and barriers of the approach

- This approach requires a large resource investment as dedicated coaches need to be hired.
- Runs the risk that coaches could offer inappropriate advice.

Relevance of the approach for CQC

This approach is of **low** relevance for CQC. This is outside CQC's role and they are better positioned to signpost providers to other bodies that provide more 'hands on' advice and support.

A powerful approach due to the tailored support, but outside of CQC's role.

Regulatory Sandboxes

By removing some rules, organisations can try out new ideas in a safe environment in the "sandbox". This helps them test what works and the learnings can lead to new innovations.

Strengths of the approach

- Demonstrates that regulators are open to innovation.
- Can help build relationships between regulators and regulated entities through working together.
- Creates a safe space where regulated entities can try out new ideas without risk of breaking rules.

Limitations and barriers of the approach

- This approach requires a large resource investment.
- It may be difficult for regulators to select sandbox participants fairly.
- Sandboxes can be viewed as risky and relaxing rules can make providers and regulators feel uneasy. They can also be viewed as a way of avoiding existing laws.
- If something goes wrong, the regulator is responsible.

Relevance of the approach for CQC

This approach is of **low to medium** relevance for CQC. CQC have trialled using these in the past and found the element of working together valuable. However, using them again would likely require investment in staff training and it could be hard to get support for the approach within the organisation, especially during a period of instability within the CQC.

This can be a powerful way to encourage innovation, with the potential to lead directly to new innovative practices, informing wider rollout of practices, or supporting a wider culture of innovation.

Making it a requirement to show evidence of innovation

Where regulators require regulated entities to provide evidence of innovations they have worked on, often as part of inspections.

Strengths of the approach

- Requires a low resource investment.
- Ensures all regulated entities work on innovation to some extent.

Limitations and barriers of the approach

- Can negatively impact relationships with regulated entities due to putting pressure on them.
- Risks harming a culture of innovation as it makes innovation seem like a “tick-box” exercise.
- Too much focus is placed on having to show the impact innovations have had, which could also lead to less innovation.

Relevance of the approach for CQC

This approach is of **low** relevance to CQC. CQC already calls for innovation and improvement through its Assessment Framework, but requiring proof of innovation does not seem appropriate.

There is the opportunity for CQC to provide a clearer picture of what the specific requirements are in relation to innovation and decide whether this should vary by performance of regulated entities.

Has the potential to make regulated entities think about innovation more seriously, but other approaches are likely to play a stronger role in creating a culture of innovation.

3 Introduction and research approach

This section covers the background to the project (including how CQC views and defines "innovation"), the research objectives, and a summary of the overall research approach.

Background

As part of its legislated role, CQC has a long-standing commitment to encourage the improvement of health and social care services.[1] In their 2021 strategy,[2] CQC repeated its promise "to ensure health and care services provide people with safe, effective, compassionate, high-quality care and to encourage those services to improve" and this is also reflected in its purpose statement as part of the 'CQC Way'[3]. CQC also recognises the role innovation plays in improvement. In recent years, innovations have transformed care and led to improved health outcomes and experiences for the public. There is therefore a focus within CQC on driving innovation amongst the organisations it regulates. As the 2021 strategy sets out, "innovative practice and technological change present an opportunity for rapid improvement in health and care. We have a role in creating a culture where innovation and research can flourish." CQC has also made a commitment to providers and systems of care to help them innovate and improve.[4]

For CQC, "innovation" means more than just the adoption of new technologies. It also includes new ways of working, organisational structures, guidance and support, and cultural changes. "Innovation" may refer to either invention of new approaches to these things or simply wider adoption of existing approaches where they are not already taken up. Critically though, "innovation" must refer to something that benefits people and leads to more effective and efficient services. In CQC, a core value is that innovations must also be safe and not constitute unnecessary risks to health and social care providers or the service users they serve.

The regulation of innovation involves creating a culture where safe innovation can flourish, driving better results for people who use health and social care services.

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[1] Health and Social Care Act 2008
[2] A new strategy for the changing world of health and social care
[3] https://www.cqc.org.uk/about-us/our-purpose-role/who-we-are
[4] The full commitment statement is as follows: "We work with health and care providers and wider care systems to improve the quality and equity of care. We set clear, evidence-based expectations, and we identify and respond to risk early. We encourage innovation and improvement by building strong, trusted relationships and using data and insight."

Actions taken by the regulator can also help build public trust in the use of innovative technologies.[5]

While there is an existing focus on 'continuous learning, innovation and improvement' in CQC's Assessment Framework (see appendix), the approach to assessing and encouraging innovation can take a number of forms in practice. A 2018 report requested by the Department of Health Policy Research Programme has identified eight "impact mechanisms". These outline how the actions CQC takes as a regulator can lead to changes in the providers that are regulated by CQC. These include mechanisms where CQC can share and signpost information about practices regulated entities can benefit from, as well as using softer skills and relationships to influence the behaviour of regulated entities. For a full list of the impact mechanisms and their definitions, see the appendix.

Research objectives

The aim of the research was to find out what approaches CQC could reasonably adopt to encourage and enable innovation whilst managing any potential risks that come along with this. As part of this, CQC wanted the research to be able to produce a report outlining the approaches other regulators use to drive innovation, and for each approach be able to identify:

- How effective are they at encouraging and enabling innovation?
- What is it that makes these approaches effective?
- Are there any contextual factors that influence how effective they are? What are these?
- What are the risks of using these approaches to drive innovation? How are these risks managed?
- How much do they lend themselves to CQC's resources and capabilities?

Research approach

Below is a summary of the research approach we used. A more detailed breakdown can be found in the appendix.

To begin with, the research team carried out a document review of several key reports and meeting notes identified by CQC relating to approaches regulators can

[5] https://assets.publishing.service.gov.uk/media/611259bbd3bf7f044630abb9/rhc-future-technological-innovations-role-regulation.pdf

take to innovation. The knowledge we gathered from these helped inform our overall approach to the qualitative research.

Next, we conducted our first research design panel with experts by experience[6]. This informed the research team's language and focus when it came to drafting the interview topic guides. All panels and interviews were done online or by phone.

We then carried out 24 in-depth interviews with other regulators, to find out how they approached driving innovation in the organisations they regulated. We achieved a spread of regulator profiles across:

- **Sector** – mainly healthcare and social care but also covering other sectors such as education and energy
- **Geographic region** – including regulators from the different countries of the UK; and international regulators such as Ireland, the Netherlands and Singapore
- **Regulator type** – including regulators of providers, regulators of professions and quality / safety / product regulators

In addition to these, we also conducted five interviews with CQC staff to get their own perspective on which approaches to innovation CQC might be best placed to adopt.

After conducting interviews, we reviewed any extra documents that participants had sent to us during or after the interview. During analysis we brought together and compared information from these additional documents, the interviews themselves, and the original documents sent by CQC.

Before presenting our findings to CQC, we led a second design panel with experts by experience. We asked for their views on the emerging findings we had identified from qualitative interviews. We also asked for any suggestions or considerations to bear in mind for reporting to make sure the findings from this research could be shared in an accessible and user-friendly way.

The research team shared our findings with CQC staff at an online workshop event. We encouraged CQC staff to discuss the findings amongst themselves and share with us anything they found surprising or especially important. We also discussed

[6] An expert by experience is someone who knows about a specific service, topic or issues because they have had some personal involvement in it.

the extent to which certain findings may be more or less relevant to CQC given its unique context. Key discussion points from the workshop have informed this report.

4 Context: Wider regulatory activity

This section goes into detail on the different roles that regulators play regarding innovation: including how regulators define and refer to innovation; facilitators to encouraging innovation; how regulators balance encouraging innovation with other regulatory objectives; and views on measuring impact.

Defining Innovation

Most regulators interviewed did not have a formal definition of innovation. Instead they relied on a shared understanding within their organisation. When prompted, regulators agreed that innovation means using new technologies or making cultural changes. They also agreed that innovation includes totally new ideas or adopting ideas that have been successful elsewhere, in line with CQC's definition[7]. Some regulators and CQC staff said that innovation involves using new information and technologies in different situations to get better results and work more efficiently.

"It's not that we have a written down definition, but I think innovation is really doing something different but better and utilising digital and new technologies or developments that really make a difference in people's lives."

Social care regulator

Not all regulators used the term 'innovation' when encouraging the creation or adoption of new ways of working. Some preferred terms such as 'improvement', 'problem-solving' or 'learning from one another'. This was because some regulators felt 'innovation' could sound intimidating and could discourage some regulated entities from participating in activities associated with it. Terms such as 'improvement' and 'problem-solving' were said to be more familiar and easier to understand, and therefore likely to be more effective in influencing change. CQC could consider whether using 'softer' and more familiar terms to encourage innovation, as this might help more providers feel comfortable with the idea.

However, CQC staff did not all agree on whether 'improvement' and 'innovation' mean the same thing. Some felt they could be used interchangeably, especially as far as providers are concerned. Others thought innovation meant doing something new, and improvement meant making current ways of working better. While

[7] CQC defines innovation as both invention – creating new ideas, products, services or models of care – and adoption – implementing what has worked elsewhere. They feel it's important to recognise that innovation does not always include new technology, such as Artificial Intelligence or a new application. Innovation can include new workplace practices, communication approaches, staff support, information and guidance, or system changes.

'improvement' may be easier to understand, it could cause confusion about the practices that CQC would like to encourage, unless the meaning is clearly defined. If CQC wants providers to 'try new things' rather than improve existing practices, then 'innovation' may be the better term for a proactive approach to encouraging new ways of doing things.

Whatever term is used, CQC should make sure that innovation and improvement are clearly defined. Some CQC staff reported that there is confusion amongst staff, inspectors and providers about what innovation means and what CQC's role is in it. This reflects findings from CQC's 2023 Project Report: Capturing Innovation to Accelerate Improvement[8], which found that providers felt CQC's messages about innovation and regulation were sometimes unclear.

CQC has a definition of innovation, but it is not used or understood in the same way by everyone in the organisation or by providers. A proactive approach to encouraging innovation should include a clear definition of innovation, which makes innovative practices feel accessible to providers.

Facilitators to encouraging innovation

Regulators we spoke to shared several things that help them encourage innovation among regulated entities. These are referred to as facilitators.

One important facilitator was building good relationships with regulated entities, so they feel trusted to try new ideas and innovations. Some regulators warned it can be challenging to balance having a trusting relationship with regulated entities with inspecting them and checking rules are followed. Furthermore, some mentioned that taking a directive approach to encouraging innovation (such as forcing regulated entities to show evidence of innovations as part of inspections, discussed further in section 6), could damage the relationship between regulated entity and regulator. CQC staff indicated that, currently, there is a lack of strong relationships between CQC and the providers it regulates, which could make it harder to change how providers think about innovation. When developing a proactive approach to encouraging innovation, CQC could consider how their strategies could support building relationships with providers and prioritise approaches which could have the biggest impact on this.

[8] Project report: Capturing innovation to accelerate improvement - Care Quality Commission (Conclusion 2)

Another important facilitator to encouraging innovation is having enough staff and time. Some regulators said they need teams with different skills, including strong leaders, trainers, staff who can measure impact, and communications experts. Some smaller regulators said they could not promote innovation effectively because they lacked enough people and resources.

Regulators also reported that involving members of the public was important in encouraging innovation. For example, some regulators asked the public for their views through panels or online engagement groups. Others used smaller focus groups or online surveys to find out where innovation was needed and to test new policies or innovations before approving them. When they found areas that needed innovation, some regulators used more in-depth research methods such as deliberative studies[9] to find out how big the need was, and how to respond. In the experts by experience design panel, people suggested that highlighting any deliberative research or consultation that has informed an area in which CQC want to encourage innovation could help make this appear more credible among providers.

Some regulators also emphasised that working together with other organisations in the sector was essential to build a strategy to promote innovation. Regulators reported working with other regulators, duty-bearers and organisations in forums and conversations on encouraging innovation within their sectors, to share ideas and solve common problems.

"We won't do an innovation event, you know, an expert panel or sandbox without those three key groups [regulators, subject matter experts and duty-bearers] being involved. We find that so important, you know, the regulator can very happily go off on one, which is a completely different direction."

Energy regulator

Some regulators also mentioned they knew CQC was already working with other organisations on encouraging innovation in specific health and social care issues.

Finally, some regulators emphasised the importance of creating a culture within their organisation where people are open to innovation, and all staff support it. This relies on having a clear definition and common understanding of what innovation looks like (as discussed in the previous section) and being willing to take risks that innovations might not work as planned. One regulator built this culture by updating their inspector training with guidance on what to look for in terms of innovation during

[9] Deliberative studies are research that looks at how people discuss and make decisions together, usually by talking through different ideas and opinions in a group.

inspections, and how to be open to innovation while balancing other regulatory objectives. CQC could consider whether training offered to CQC staff could support in building an innovation culture within the organisation.

Because it is large and has wide influence, CQC is in a good place to lead on encouraging innovation. CQC should consider how to build key facilitators into its plans, especially ways to build strong relationships with providers.

Balancing competing regulatory objectives

Not all regulators that we interviewed were focused on *encouraging* innovation. Some said they did not have enough staff or reach to take on extra roles, like encouraging innovation, which felt beyond their primary responsibility. Some regulators put patient (or service user) safety first, and felt that their role was rather to check innovations were compliant with legislation and manage any risks associated with innovation (e.g., through guidance or building it into inspection frameworks).

However, some regulators believed they could manage risk while proactively encouraging innovation. In fact, some regulators felt that acceptance of risk and failure was necessary to effectively encourage innovation. These regulators said it was important to encourage innovation by giving regulated entities clear guidance on how to innovate safely and within the limitations of legislation. They achieved this through clear communication about innovation, and through several different ways of reducing risk:

- Agreeing how much, and what type of, risk is acceptable with regulated entities, and getting support for this from senior stakeholders (such as board members)
- Setting a clear limit for risk and a plan for stopping an innovation if that limit is passed
- Making sure service users know about the potential risk and give to be involved
- Having enough staff and senior leadership in place to manage system changes caused by innovation

"There's a genuine tension between safety and innovation… it's an unresolvable tension. If you lean too heavily on the innovation end, you could end up approving things which later on prove to be unsafe… equally, if you're too far the other way, you could deny patients access to new , innovative treatments…It's less about a

crude model and more about a kind of subtle, slightly flexible model that allows you to take different risk calculations depending on the harms you're trying to avoid."

Healthcare regulator

In the workshop with CQC staff, people talked about the challenge of balancing managing risk and encouraging innovation, and how CQC should handle this. Overall, they agreed it is CQC's responsibility as the regulator to create an environment where innovation can happen. This means showing an open attitude to innovation and giving guidance on how to innovate within the limitations of legislation, so providers feel confident to innovate freely.

It will be important for CQC to strike a careful balance between supporting providers to innovate while ensuring that innovations comply with legislation, and that risk is managed effectively.

Managing Equality, Diversity and Inclusion (EDI) Risks

Some regulators had specific ways of dealing with risks that new innovations might cause for Equality, Diversity and Inclusion (EDI):

- Encouraging the hiring of a diverse workforce, both in their own teams and amongst regulated entities, so that different groups are represented when encouraging or monitoring innovations.
- Carrying out deliberative research with a mix of service users, charities, and professionals, to find out early whether innovations pose particular risks (or opportunities) to certain groups
- Regulators doing equality impact assessments themselves on any new policies or innovations in the sector they regulate. For some regulators, this was a standard step for any new policies.
- Giving regulated entities guidance on conducting equality impact assessments, when an innovation creates a risk for a specific group. One regulator developed a health inequalities matrix to help regulated entities see how an innovation could impact different groups
- Assessing during inspections whether innovations affect equality of opportunities for service users, and getting involved if they do.

"So alongside any new policy or any new innovation, there'll be an equality screening completed, and that just gives us information around who might be impacted."

Social care regulator

Regulators varied on whether they conducted impact assessments themselves or encouraged providers to conduct impact assessments for their own innovations. As it is beyond CQC's regulatory remit to conduct impact assessments on innovations, it will be important for CQC to consider how they can influence providers to conduct equality impact assessments without placing additional pressure. If CQC insists providers do their own impact assessments, it could harm relationships and discourage them from innovating, because it would add extra work which they might not have the skills or resource for. Therefore, if CQC wants to encourage providers to do this, they could consider providing clear guidance and support on how to conduct impact assessments in a way that aligns with the regulation.

Some regulators said that assessing EDI risk, while important, can be expensive. Therefore, some regulators only assess EDI risk, or encourage providers to do so, when the innovation is likely to harm a specific group. If there are resource restrictions, CQC could consider whether there are certain situations when impact assessments should be conducted.

There is opportunity for CQC to encourage assessment of equality outcomes of innovations as standard, to help reduce EDI risk. CQC could also consider providing guidance on when impact assessment should be carried out, how to do them, and how to make sure they are used appropriately.

Approaches to measuring impact

Measuring impact of approaches to encourage innovation

Only a small number of regulators took a formal approach to measuring the impact of their work encouraging innovation. Those that did measure impact did so by , tracking how many innovations they had reviewed each year through their innovation service, or hiring an organisation to evaluate workshop activity designed to encourage innovation.

Some regulators also reported gathering feedback from regulated entities on their openness towards innovation and how that has changed as a result of activities the regulator had conducted. Regulators collected this feedback in different ways: through conversations, workshops, during inspections, or by observing changes in behaviour (e.g. regulated entities sharing learning with each other more). To get

useful feedback, regulators need to have good relationships with regulated entities, so regulated entities feel they can speak openly and honestly.

For some regulators, the thing that stopped them measuring the impact of promoting innovation was that it is expensive to do well. Some regulators also mentioned that even with enough resource, it can be difficult to measure how much their work encourages innovation. This is because impact can be difficult to quantify, and because there is no counterfactual (circumstances in which innovation was not encouraged) to compare outcomes against.

Furthermore, it can be difficult to tell whether regulated entities' innovations came directly from regulators' efforts to encourage them. This depends on the type of approach used: it is relatively easy to see if a regulatory sandbox has worked by checking if the new idea was implemented afterwards; but it is harder to know if case studies or examples of good practice have directly inspired regulated entities to innovate.

"It's always really difficult with policy work and innovation, because you're never just doing one thing at a time. So, measuring direct impacts is difficult and it's something we've struggled with."

Healthcare regulator

CQC will need to consider how important it is to measure impact of innovation, because this could affect which methods they focus on to encourage innovation.

Measuring impact of particular innovations

Similarly, few regulators reported measuring the impact of regulated entities' particular innovations. Again, this was because evaluations can be costly and it is hard to identify the impact of the innovation when there is no counterfactual (i.e. instance where the innovation was not introduced) to compare against. One regulator said they tried to measure how many people used an innovation, as a sign of its success: however, they acknowledged that this is difficult to measure accurately and does not give the full picture of the impact an innovation has.

"Quantifying innovation is a really fundamentally difficult thing to do. I haven't seen a convincing way of doing it."

Energy regulator

Furthermore, some regulators did not measure the impact of innovations because they felt it was the regulated entity's responsibility to do so. However, not all regulated entities have the expertise to properly measure the result of their own innovations. One regulator tackled this challenge by employing an evaluation lead to educate providers on how to evaluate new technologies and innovations. CQC could consider whether they could offer guidance to providers on evaluating innovations.

5 Approaches to encourage innovation through regulation

This section covers in detail the approaches regulators are taking to encourage innovation that were shared with us, including their strengths, weaknesses and how effective they are. Each approach begins with a summary statement how relevant each approach is for CQC in a dark green box. Case study examples of how regulators have used an approach are provided in light green boxes where these add additional insight.

Sharing good practice and/or case studies

Definition: Regulators communicate particularly strong examples of good practice from regulated entities with others.

Overview

Sharing good practice and/or case studies is an approach CQC is well placed to introduce. CQC staff have evidence that there is interest amongst providers for CQC to share and enable the sharing of good practice. To do this effectively, it is important to have clear, defined ways of sharing. CQC could consider whether a new system should be introduced to support this. CQC could also consider whether sharing specific examples with relevant audiences could boost the impact they have.

Opportunities

Sharing good practice provides the opportunity to create stronger relationships with providers outside of inspections, encourage consistency across providers and allow innovations to spread.

Considerations for how to implement

- Make sure case studies and examples are easy to find and access (to reduce the risk of them not being found or used).
- Develop an approach for how to identify examples proactively, for example encouraging regulated entities to share examples with, rather than relying on infrequent inspections for these examples.
- Clearly define what makes the case studies "good" and how this links to the assessment framework.

It is also worth noting that it may be difficult to provide evidence of the impact of information sharing as other types of support are often necessary to drive change alongside this.

Several regulators reported sharing good practice and/or case studies. Regulators provided a range of examples for how they have done this, including sharing through: websites, social media, online portals or reports. For example, one regulator explained they have a website dedicated to research, innovation and improvement, with a tool that allows providers to find case studies easily. Another regulator shares case studies of good practice on social media. Several regulators

shared examples of developing materials such as guidance documents with regulated entities.

"We're constantly giving, as part of the inspection report, alternative ways of working…we try and highlight areas of good practice that the provider can follow."

Healthcare regulator, Outside UK

Regulators thought the overall benefits of this approach were:

- allowing them to develop relationships with providers outside of inspection periods;
- encouraging the spread of useful innovations across regulated entities.

CQC already shares good practice in a number of ways, with examples including:

- the identification of good practice related to oral health in care homes in the report 'Smiling Matters: Oral Health in Care Homes';[10]
- 'The Maternity Inspection Programme', where CQC worked with providers to identify themes they wanted to be covered in good practice examples. CQC then highlighted these themes in a specific tool.[11]

CQC staff also referenced inspection reports as a way of highlighting good practice. However, they suggested there are opportunities for them to make sure learning and innovation are communicated more strongly within these reports.

One challenge highlighted by regulators to sharing good practice was finding examples to share in the first place. Regulators said they often relied on inspections to gather these, but since inspections are not very frequent, opportunities to do so are limited. Instead, a more proactive approach to identifying examples may be required, for example encouraging regulated entities to share examples themselves. However, a clear system would need to be introduced for regulated entities to share these examples.

Another risk raised by regulators was that once case studies and good practice examples are shared, they may not be used to drive change. Some regulators felt that providers may be more likely to turn to other (non-regulatory) sources for examples of good practice. This is because providers can find it difficult to accept that regulators are genuinely looking to help, given their roles as enforcers.

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[10] Smiling matters: oral health care in care homes - Care Quality Commission
[11] Maternity improvement resource - Care Quality Commission

Regulators also noted that good practice examples are not always easy to find or access. Clear, defined ways of sharing this evidence, for example through a dedicated area on a website, a portal or through social media, are important to ensure that, once examples are shared, they can be found and used. Another method suggested by CQC staff to encouraging use of case studies was choosing the types of providers they promote good practice sharing among, so that the example feels more tailored and relevant.

Another challenge highlighted was the term used to describe practices. Regulators generally preferred using 'good' rather than 'best'. Regulators were concerned that 'best' practice suggests that regulated entities must adopt it, which creates the risk of promoting ways of working that are not appropriate for all. Using language like 'good practice' or 'practice worth sharing' were suggested by regulators as communicating more clearly that examples are for guidance and inspiration purposes. However, some CQC staff still felt that it was important that 'good' is defined (including how it links to 'good' on the Assessment Framework) to ensure everyone is clear on what is being communicated.

There was also some concern among CQC staff that some inspectors may currently only refer to 'innovation' as creating new things. This narrow definition means that fewer examples can be counted as demonstrating innovation. CQC may need to improve understanding throughout their organisation, including among inspectors, of how it defines innovation, to enable the sharing and spreading of good practice.

Beyond good practice in encouraging innovation, there is also opportunity to share examples of how regulated entities innovated *safely*, and any lessons from failures, to help other providers develop ways to manage risk and feel safe to innovate.

There is little evidence to suggest that sharing good practice alone directly leads to encouraging innovation. Even if providers are able to access case studies, there may be other barriers preventing them from innovating. Nevertheless, sharing good practice and case studies can help create a culture of shared learning and innovation, and encourage good relationships through recognising regulated entities' successes. The potential impact of this approach could be improved if combined with other approaches with a more direct focus on driving innovation.

Encouraging others to share good practice and/or case studies

Definition: Regulators encourage regulated entities to share good practice and/or case studies with each other.

Overview

Encouraging others to share good practice and/or case studies is an approach CQC is well-placed to introduce. It is something CQC already encourage through their Assessment Framework and there are opportunities to build on this by offering specific channels or platforms to support this sharing.

Opportunities

Encouraging the sharing of good practice provides the opportunity to strengthen relationships between providers, encourages consistency among them and allows innovations to spread. Encouraging others to share examples may also require a lower resource investment than CQC sharing examples themselves.

Considerations for implementation

- Consider how to encourage providers to share case studies and minimise concerns they might have about competition and reputation.
- Decide what format for sharing will work best for CQC's regulated entities, for example through online events, in-person events or an online portal.

Several regulators encouraged regulated entities to share good practice with their peers. One regulator described that they had "cafes" where different figures could present examples of good practice, and all their regulated entities could attend.

In terms of CQC's engagement with this approach, sharing good practice is built into its Assessment Framework. Regulated entities are encouraged to look for ways to 'make improvements by learning from each other, from people who use services and from other experts'. By including this within their Assessment Framework, CQC makes use of the anticipatory impact mechanism as they are encouraging providers to demonstrate this behaviour before they are inspected. Other stakeholders also support providers with this, for example Skills for Care have put together an 'Inspection toolkit' to support leaders and managers to prepare for CQC

inspections.[12] The toolkit guidance, templates and resources are linked to CQC's key questions. Self-assessment checklists and examples of good practice across each of the 5 key criteria services are assessed against are also shared.

However, CQC have the opportunity to learn and take inspiration from the methods of encouraging the sharing of good practice that other regulators use. Examples such as arranging networking events or setting up a digital platform to enable case study sharing would provide additional opportunities to encourage the sharing of good practice and case studies.

One benefit of encouraging others to share good practice, as opposed to regulators sharing this themselves, is the level of resource need. The approaches regulators suggested for supporting sharing may require fewer resources than a regulator going through the various stages of identifying and sharing good practice themselves.

Another benefit to regulators of encouraging the sharing of good practice over sharing it themselves is that there is less risk to their reputation associated with this. Since the regulator is not sharing the example themselves, they are not seen to be recommending a specific way of working.

An additional benefit suggested by regulators was that the approach encourages regulated entities to develop relationships between themselves. Regulators referred to the creation of a safe space for regulated entities to share successes and challenges with each other. They also emphasised the opportunity for regulated entities to be inspired by others and discover opportunities for innovation within their own organisation as a result.

Regulators and CQC staff said that regulated entities might not want to share examples with each other under some circumstances. It was felt, for example, that providers might not want to share specific details of their successes with competitors due to concern over losing a competitive advantage (e.g. dentists may be competing for the same clients as another provider). Another reason given was that regulated entities might be concerned about potential consequences (e.g. damage to their reputation in the eyes of the regulator) were regulators to learn about challenges or failures they had experienced.

"There's something about…really learning from where it hasn't worked, so the story of how you got there and what went wrong along the way or how you tried it and it just didn't work is really helpful to other people, but no, people are very reticent to

[12] Inspection toolkit

share those because of people like regulators… people want to be seen to be doing a good job."

Social care regulator, UK

For these reasons, the experts by experience design panel engaged in the research suggested that it might be necessary to provide clear benefits for sharing good practice to support this approach and improve how effective it is. Explaining what regulated entities can gain from sharing case studies, might encourage them to take part. Examples of benefits could include receiving advice from other regulated entities to support them to solve a problem or being viewed as a leader in their sector.

Programmes to drive commitments to cultural change on systemic issues

Definition: Programmes offered by regulators to proactively engage regulated entities on a systemic issue and encourage voluntary commitment to changes in culture to enable change across a system.

Overview

Developing programmes to drive commitments to cultural change is an approach CQC is well-placed to introduce. As part of the programme, regulators run events such as workshops and develop resources with the aim of promoting understanding of a key systemic issue, and encouraging regulated entities to voluntarily commit to change. It is an approach that can be applied across sectors, since the focus is on cultural shifts across a whole system. One approach to introducing this for CQC could be using the State of Care report to identify system issues to focus on and then using existing materials, such as reports, to encourage providers to change their culture to address these.

Opportunities

This approach works to tackle specific cultural issues that exist across a system. However, to put on a whole programme of events, a large resource investment is required.

Considerations for implementation

- Identify whether there is a specific change that is required across the system that would be an appropriate focus.
- Trial the approach by running small workshops with regulated entities where a good relationship already exists
- Draw on experts from outside CQC to improve the credibility of resources.
- Make use of existing tools and outputs or coordinate smaller events to inform a lower-resource approach (though this would likely mean there are limitations on what can be achieved).

We know that several regulators have outreach teams to engage with employers and individual professionals around issues that exist across their sector and how these might be addressed. One regulator we spoke to used this approach, creating multiple programmes of work to encourage change. These programmes included

various activities, such as digital resources, workshops and events, which were designed to help regulated professionals understand the issues that existed, the effects of these and how they interact with regulatory standards. Regulated professionals were then given the opportunity to have a say on how changes could and should be implemented and were encouraged to make voluntary commitments to making these changes in their organisations.

The main benefit of developing these programmes was that the regulator was able to actively support innovation in specific areas they had identified as being important across the system, looking to engage regulated professionals and create a dialogue and action surrounding the issue they are seeking to address:

"So what we're doing, the workshops and resources are clearly not didactic…They are much more about helping those who attend understand…and having helped them understand those things, what we want them to do is think about how they are going to implement that standard in their organisation…we're trying to get them to look at it in their context."

General Medical Council, UK

In terms of enabling the approach, the regulator shared two tips for making it a success:

- The first was to use independent experts as a source of support, where needed, for either subject matter expertise or design expertise: for example, in designing resources, or delivering workshops and events. The regulator felt that independent experts made the programme more credible and reduced concerns that influencing change in this way was outside the role of a regulator.
- A second tip suggested was to trial the approach among regulated entities where a good relationship already exists: for example, by hosting a pilot event or workshop. This provides the opportunity to gather feedback and ensure the approach meets its purpose.

Two main barriers emerged to this approach:

- The first was that putting together the extensive programmes required a large resource investment. It required a significant amount of staff time, from the development of the materials, to delivering the programmes, to quality

assuring[13] the approaches (e.g. through observing sessions). Some of the programmes also engaged experts from outside the organisation.

- The second barrier was a concern that regulated professionals might find it difficult to accept that a regulator is genuinely looking to help and work together on finding solutions. This concern came from the idea that regulators play a role as an enforcer and therefore the shift to viewing them instead as an organisation to work together with is not straightforward.

In terms of applicability to CQC, staff proposed that they could use the State of Care to highlight areas where issues exist and then put on a series of accompanying events to bring people together to address these through innovation or improvement. One consideration CQC staff thought was important regarding events was that these would have to be small to have the most impact. Given the large number of providers CQC regulates, CQC staff suggested sharing resources in reports that already attract a high number of readers to achieve a wider reach than events could.

[13] Quality assuring means making sure that the programmes are delivered to the standard expected.

Case study example: The General Medical Council's Programmes to Drive Cultural Change
UK, healthcare, regulator of professions

Following the launch of their core ethical standards in 2024, the GMC developed resources to help organisations and individuals to respond them. One of the areas of focus of the new standards was anti-discrimination, so a range of programmes were developed to support organisations to understand issues such as everyday racism, misogyny, bullying and harassment. The GMC also recognised that international graduates face specific challenges and so another programme was developed to ensure they were receiving the support they needed.

To deliver these programmes for change, the GMC developed online resources (including video scenarios) and identified experts to run workshops with regulated employers and professionals. The aim is to promote understanding and encourage organisations to consider how they are going to implement change within their organisation. For example:

- the misogyny programme included teaching on the difference early intervention makes and gave guidance on how to have coffee cup conversations for things like so-called 'banter';
- a programme to tackle bullying and harassment required each organisation to sign a memorandum of understanding on what action they will take.

The programmes required a large resource investment. The set-up of each programme was specific to the challenge being addressed, but examples of how these were created include: GMC co-developing resources with people who had experienced the situations being explored, and adapting workshops to different settings in terms of the exact scenarios and resources used. To support the delivery of workshops, GMC identified new team members with external engagement expertise that also had a clinical, educator or medical legal background, and in some cases GMC engaged external experts to add credibility. GMC also implemented a quality assurance programme to support delivery of the programmes to drive cultural change.

To assess the impact of the programme, GMC asked those taking part in workshops whether they would change their practice or not. Some programmes also included designated follow-up periods to check in on progress / impact between 1 and 6 months later. As an example of change achieved, one organisation worked with the GMC team to develop a business case to successfully roll out active bystander training.

Encouraging others to work together

Definition: Regulators supporting and enabling regulated entities to work with each other towards innovation.

Overview

Encouraging others to work together is an approach CQC is well-placed to introduce as they regulate a huge range of providers and already assess how organisations work together through their Well Led Reviews. Therefore, they could bring together a variety of organisations to address specific areas of focus. It is important to consider whether there is also a role for another organisation, such as Integrated Care Boards (ICBs) to coordinate this engagement at a more local level.

Opportunities

Encouraging and enabling providers to work together can lead to a joint approach to identifying problems, agreeing approaches and combining resources to address these.

Considerations for implementation

- There needs to be a particular area identified where it would be beneficial for regulated entities to work together.
- A flexible approach is needed as the work could stretch over a long time period due to different approval processes among regulated entities.

Some regulators are already working together themselves, which makes them well-placed to encourage this approach in others. For example, CQC, the GMC and the NMC (Nursing and Midwifery Council) started working closely together in 2020 to identify common themes in maternity safety within their data, reviews and inquiries. This included working on a shared data platform to understand how they might identify struggling maternity departments.

One regulator interviewed, the Professional Standards Authority (PSA), shared an example of how they encouraged others to work together. This regulator brought its regulated entities together around the topic of AI and problem-solving. The focus of the discussion was how their data could be shared and collected consistently to support the use of AI in creating insights to solve issues that impacted the whole system. By bringing regulated entities together, the regulator enables the

development of a shared understanding without a high resource investment from them.

The regulator reported three key benefits of taking this approach:

- Enabling regulated entities who have less experience in innovation to receive help and support from those who have more resources;
- Identifying risks that impact the whole sector that might be better addressed though a joint approach – and building the connections to start addressing these;
- Psychological safety – regulated entities are reassured that they do not have to be expert in the topic area being discussed, as everyone is exploring together.

"The direction of movement and the pace of change, particularly around new technologies such as AI, mean that as regulators we all know we need to do this and we all need to get up to speed. So we might as well do it together."

Professional Standards Authority, Health and social care regulator, UK

Alongside these benefits, there were potential difficulties in working together shared by the regulator. For example, the regulator predicted that reaching agreement on a group approach could take a long time due to the regulated entities involved having different approval processes and varying financial planning cycles within their organisations. This could mean that it could take some time for plans to lead to noticeable benefits.

A further tension the regulator highlighted was between their role as a regulator and their involvement in a group trying to steer the approach of regulated entities. The regulator was conscious of the fact they want the opportunity to steer organisation's approaches in a softer way, but that they would be playing the role of reviewing regulated entities later down the line.

In terms of CQC's role, this approach would require CQC to identify a particular area that would benefit from providers working together to inform a joint approach. Once this had been established, there may be additional difficulties in identifying the type and number of providers that would be best placed to work together on specific topics. This was not a challenge for the regulator who provided the example for this approach since they have a small and defined set of regulated entities. Nevertheless, this approach has the potential to be a powerful tool to address challenges that affect the whole system.

A further consideration CQC staff raised during a workshop was whether CQC were best placed to take on a responsibility of organising providers to work together. It was suggested that ICBs could be better placed to take on this role within their local areas as each would have a smaller number of providers to work with. However, there could be a role for CQC to work with providers across different ICBs if a promising area for joint working is identified. Furthermore, CQC already have visibility over how providers work together through their Well Led Reviews: encouraging providers to work together on innovation and problem-solving could be built into this existing mechanism with relatively little disruption to ways of working.

Advice for innovation regulatory enquiries

Definition: Dedicated portals where regulated entities are encouraged to post specific queries relating to innovation and legislation, which regulators respond to with advice.

Overview

CQC could create a dedicated portal for innovation regulatory enquiries as part of its existing support channels. This could create a big impact by helping providers innovate safely, but it will be important to consider the impact of resource requirements.

Opportunities

This approach could help make CQC's position on innovation clear. It could also support sharing good practice examples by providing a channel for identifying examples. The advice should focus on guidance on regulations when innovating – guidance on 'how to innovate' would be beyond CQC's regulatory remit.

Considerations for how to implement

- Be clear about the type of advice offered: focusing on queries relating to innovation principles in the Assessment Framework, and guidance on safe innovation that aligns with regulation.
- Host the portal on CQC's website, and make it obvious how to navigate to it to indicate that CQC supports safe innovation
- Prepare standard answers to frequently asked questions
- Use staff who already monitor general queries to also manage the innovation regulatory portal

Many regulators, including CQC, reported having an 'open-door policy' for general queries, which can sometimes include questions about innovating in line with

regulations. However, some regulators have set up a dedicated communication channel for regulated entities to ask questions about innovating within regulatory rules, often through their website. Having a dedicated portal for innovation questions, instead of just a general open-door policy, has some advantages. For example, it shows that CQC is open to new ideas and supports innovation, which could encourage providers to innovate.

Regulators reported several other benefits to having a specific channel for innovation enquiries:

- Giving advice to regulated entities who want to innovate can make a big difference in terms of enabling innovation as it helps regulated entities feel reassured and confident in their ability to innovate safely.
- Having a direct means of support can help to improve relationships between regulators and regulated entities.
- It helps regulators keep track of new ideas in the sector. This has two benefits: regulators can step in if an idea is too risky or does not meet regulations, and they can identify and share examples of good practice to inspire others Encouraging regulated entities to submit queries about innovations provides regulators with more oversight over innovations taking place in the sector. Regulators highlighted two knock-on benefits of this: firstly, regulators can intervene if innovations are deemed too risky or not compliant with legislation, and secondly, regulators have access to potential examples of good practice which can be shared to encourage wider providers to innovate.

When CQC staff were asked how an innovation enquiries portal might work, some said that setting up the portal, monitoring it and responding to questions would require more resource than CQC currently have. However, in a workshop with CQC staff, they suggested that this could be managed by creating standard answers to frequently asked questions, and making use of resources that already exist for handling the general queries CQC receive. This would mean the main effort required would be setting up and promoting the portal.

To manage these risks, CQC would need to be clear on the type of advice that they can offer through the portal, based on its regulatory responsibilities and expertise. In the CQC staff workshops, staff suggested that the portal could help with:

- Explaining innovation principles in the Assessment Framework
- Showing providers how to prove that they have met the innovation and improvement principles in inspections

- Making sure innovations follow safety rules and legislation
- Giving guidance on managing risk and assessing the impact of innovations

CQC staff felt it was important that the type of advice given focused on how to innovate in a way that aligns with regulation, instead of how to carry out specific innovations. This was because some were worried that CQC does not have the expertise to give high-quality advice about how to innovate in different areas. Some staff said there is also a risk of giving the wrong advice, which could harm service users and damage CQC's reputation.

Finally, while regulators said giving advice on how to keep innovation compliant can improve relationships, CQC staff argued that strong relationships with providers are also important for encouraging people to use an innovation queries portal in the first place. Some staff said CQC still needs to build strong relationships with providers. However, simply promoting an innovation advice portal could help make CQC's position on innovation clearer, and reduce confusion seen in previous work.[14] Furthermore, it could also show that CQC is open to supporting providers, which might help rebuild relationships.

[14] Project report: Capturing innovation to accelerate improvement - Care Quality Commission (Conclusion 2)

Case study example: The Human Tissue Authority's Regulatory Advice Service for Regenerative Medicine
UK, healthcare, regulator of providers

The Human Tissue Authority works to make sure that human tissue is used safely and to a high standard in the UK for research, treatment, and education.

While they do not see their role as actively encouraging innovation, they created an innovation advice service called the Regulatory Advice Service for Regenerative Medicine (RASRM). This service helps academic, industry professionals and NHS staff to follow rules and meet the required standards when working on innovations in the sector – ultimately helping regulated entities innovate safely.

The RASRM was created with the Medicines Healthcare Products Regulatory Agency (MHRA), and is hosted on the MHRA's innovation office website. The services also uses guidance from other organisations in similar sectors, including the Health Research Authority (HRA), and Human Fertilisation and Embryology Authority (HFEA). Working with these organisations was important because this is a complicated sector, and it is not always clear who regulated entities should go to with queries.

The portal collects the following information:

- Contact details
- The type of technology area the innovation is about
- The stage of development the innovation is at
- A description of the product or innovation
- The query they need help with

Relevant experts respond to enquiries by email within 20 days.

"The intention was to be a 'one stop shop'. So for organisations trying to navigate what probably feels like, and in some ways is, a complex landscape to help them understand what they need to provide to whom, and if there ever was a question of doubt or difficulty, we would commit through RASRM to providing a clear answer to them and to support [them]."

Bespoke innovation support/coaching

Definition: Bespoke support means creating personalised help for regulated entities who need coaching for a specific innovation

Overview

Even though giving bespoke coaching and support could have a big and clear impact, it is not part of CQC's role as a regulator to offer this to providers.

Opportunities

CQC is better positioned to guide providers who require support to other organisations that offer these types of services. This can be done through a general innovation enquiries portal.

One regulator that we interviewed took their approach to supporting innovation enquiries one step further by offering tailored services, such as digital coaching and leadership advice, to regulated entities[15]. This approach had a big impact, because the support was designed to meet the specific needs of each regulated entity and was delivered over multiple sessions. Another benefit was that the impact could be directly measured through immediate feedback from the people receiving the coaching.

Furthermore, the regulator said that coaching helps build trusting relationships between the coach and the regulated entity. This trust means regulated entities feel comfortable being honest about situations where their innovations do not work as planned. This gives regulators a better understanding of what is happening and allows them to support regulated entities find solutions and manage problems.

However, offering bespoke innovation support and coaching can be expensive and requires a lot of knowledge. For example, enough coaches with the right skills need to be identified and hired to meet demands for support. Because of this, this approach works better in smaller areas within health and social care, where the expertise needed is more specific. Since health and social care is such a wide sector, it might not be realistic for CQC to find experts that meet the needs of all providers.

As with offering general advice for innovation enquiries, there is also the risk that coaches could give the wrong advice, which might harm CQC's reputation if the coaches are linked to them. Some CQC staff also felt that working so closely with providers on their innovations might go beyond CQC's role as a regulator, and could affect CQC's ability to stay independent when inspecting providers.

[15] Innovation coaching - Social Care Wales - Research, Data & Innovation

Generally, CQC staff in both interviews and the workshop agreed that CQC should encourage providers to innovate freely, but they should not get directly involved in specific innovations. Instead, CQC is in a better position to guide providers to other organisations or services that can give more active advice and support. This guidance could be included in frequently asked questions for an innovation enquiry portal, as discussed in the previous section.

Regulatory sandboxes

Definition: Originally used by regulators of financial sectors, regulatory sandboxes are a tool where participating organisations can act without needing to follow standard regulations for an agreed upon period of time.[16] Sandboxes create safe and controlled environments where outcomes can carefully be measured. By pausing some rules, organisations can try out new ideas and "play" in the sandbox. This helps them test what works. By removing some rules, organisations can try out new ideas and the lessons learned can lead to new innovations or the introduction of innovations across the wider sector.

Overview

CQC should consider using regulatory sandboxes at some point in the future, once it is in a more stable position: though they require a large resource investment, sandboxes are respected and have the potential to make a difference, often leading to genuine innovations that can in turn lead to improvements within the sector.

Opportunities

CQC has experience conducting sandboxes but they can be difficult to set up. CQC should perhaps focus on prioritising less complex approaches that require a lower resource investment. Building skills within the organisation, setting clear risk limits and having strong relationships with regulated entities are all necessary to managing the risks of sandboxes and achieving better results. Sandboxes could be considered again once CQC feels confident it has all these factors in place.

Considerations for how to implement

- Identify focus areas and discuss with regulated entities to see what they want to test in sandboxes
- Clearly communicate the level of risk that is acceptable and what the sandbox will cover
- Make use of relationships with sector experts to help manage sandboxes and monitor outcomes

Only a handful of the regulators we spoke to said they used regulatory sandboxes to drive innovation. Still, both those regulators who used them and those who did not

[16] We recognise that sandboxes may be an unfamiliar term to external readers. Please see the glossary for a further definition, and see Window 2 sandbox trials for an example of a sandbox in the energy sector.

praised them as an effective way of driving innovation through creating a “safe space” where regulated entities can try new ideas or ways of doing things without risk of breaking rules. The main reason why regulators did not use sandboxes was because they require a large resource investment and specific knowledge of how to run them.

Regulators who used sandboxes said their role within them is to make sure risks are managed. They also keep participating organisations involved and deal with any problems that come up. Some regulators measured the results of the sandbox themselves, while others made use of other experts and organisations within the sector to lead on this.

Some regulators said that sandboxes were especially useful in sectors such as healthcare, where lots of new technologies are being introduced or where there are relatively new practices or services that are currently not regulated or not widely used. In these cases, using sandboxes can be an effective way to measure the benefits and risks of new innovations in a smaller, protected space. Innovations tested in the sandbox can be updated multiple times to make sure they do not pose any large risks before they are used more widely.

A couple of regulators who used sandboxes said that deciding what to test in sandboxes was often based on the existing mood and focus of the sector. They said that having good relationships with regulated entities allowed them to feel confident about choosing a test subject that regulated entities were actively keen to try out.

Due to the fact they require working closely together, regulators thought a major benefit of using sandboxes was building relationships. Regulators said that working out the issues with new innovations *together* helped to create new relationships and build on existing ones - both with regulated entities and with other organisations.

A few regulators also noted that sandboxes can be an effective way of demonstrating to the public and to government departments that the regulator is openly encouraging innovation, potentially improving the regulator’s reputation.

The main issue with sandboxes is that they tend to require a large resource investment. Regulators said that changing certain rules or increasing the focus of a sandbox can require a lot of discussion, as well as large amounts of legal and administrative support. For many regulators, this makes it difficult to set up a sandbox approach.

"There's always some sort of backlog, difficulty or operational challenge that we're facing and so we're not resourced to do things like this."

Healthcare regulator, UK

CQC staff also shared this view. Staff explained CQC have deprioritised the sandbox approach after using it in the past. CQC staff also noted that sandboxes could be very technical and re-introducing them as an approach would likely require developing skills within the organisation. CQC staff mentioned there could be difficulties in building interest in the approach within the organisation, as it is often difficult to explain how sandboxes work in a way that is widely understood. Finally, running a sandbox during a phase of instability within the CQC could divert resource away from achieving core regulatory requirements: therefore, this approach may be best revisited in the future once resource is stable and available.

Some regulators said that deciding which regulated entities should take part in the sandbox could also be very difficult and potentially negatively impact their relationships with regulated entities. Regulators recognised that they should pick a range of organisation types so that they could measure any significant differences in outcomes between these. However, they also ideally wanted to pick regulated entities who they had a good relationship with and who they knew would be engaged, feeling this was more likely to lead to strong innovations. Regulators said they sometimes had too many regulated entities wanting to take part and so had to be careful not to be seen as choosing from a place of favouritism. Although not experienced by those we interviewed, it follows that the opposite scenario could also cause a problem: if the regulator does not have strong relationships with many regulated entities, then selecting regulated entities who will be actively engaged whilst still getting a good mix of organisation types and sizes may be very difficult.

There is a small risk that sandboxes could be seen by regulated entities as a means to get round existing laws to gain a competitive advantage, which could put patient safety at risk. Although those we interviewed did not mention experiencing this themselves, they noted this risk and indicated that the regulator needs to ensure during set-up that sandbox tools and processes are not taken advantage of in this way.

Similarly, sandboxes can create a sense of unease amongst the public or those with less technical expertise. There is always a fear of the unknown risks of new innovations and technologies. If something goes wrong, regulators pointed out that *they* are the ones responsible for this. Regulators repeated the importance of having discussions within their organisation about the level of risk they are comfortable with, and communicating this clearly to sandbox participants before starting trials. Setting conditions for when to stop, continue, or gradually widen the focus of sandboxes was viewed as vital. One regulator also mentioned that avoiding the use of the term “sandbox” can sometimes help, as it can be interpreted in negative ways by the public and regulated entities.

In order to maximise the effectiveness of a sandbox approach, regulators said that having good relationships was very important and that these increased the likelihood of sandboxes leading to genuine innovation. Strong relationships mean participants feel comfortable to be open about what is not working as well, ensuring that these valuable lessons are captured and acted upon. Meanwhile, having strong relationships with non-participants helps protect against them feeling left-out or disadvantaged, and can reassure them that they too will benefit from the lessons / outcomes of the sandbox even if they are not actively involved.

Making it a requirement to show evidence of innovation

Definition: Where regulators require regulated entities to provide evidence of innovations they have worked on, often as part of inspections.

Overview

CQC should avoid requiring evidence of innovation from regulated entities, as it does not seem appropriate for its role as a regulator.

Opportunities

CQC could review how it currently references innovation in its Assessment Framework. There is scope to make it clearer about what, if anything, is required in terms of innovation specifically, with a focus on ensuring safe innovation and encouraging a culture of innovation, rather than requiring regulated entities to have to demonstrate specific innovations.

No regulators we spoke to said they required compulsory evidence of innovation. Many said that such an approach would be a step too far in their role as a regulator. A few regulators also said it seemed like too much work for regulated entities, because it is hard to give clear proof of innovation. Regulators felt this could then harm relationships by putting too much pressure on regulated entities.

A couple of regulators also noted that making innovation compulsory could stop organisations from wanting to improve on their own and make innovation feel like a ‘tick box exercise’. At worst it could encourage providers to innovate inappropriately and unsafely, just so they could be seen to be “doing something”.

"I wouldn’t suggest this. The inference [to regulated entities] is, you are not doing this, so we need to make you do it. But the providers are out there doing a good job,

so if you make a regulation like that, you are implying they are not doing this as part of [their everyday work]. [You need to] soften the language around it, so that the rating system becomes an impetus and encouragement to improve."

Social care regulator, UK

Further, requiring evidence for innovations could discourage providers from innovating in cases where they cannot provide evidence that it makes an impact. If organisations cannot show proof that new ideas work, they might stop trying to innovate.

Finally, a few regulators feared this approach may discourage openness and sharing of ideas or practice between regulated entities. Potentially, regulated entities might think that if other organisations are doing something similar, their practice might not 'count' as an innovation during their inspection. As a result, this might lead to regulated entities becoming more protective of potential innovations and less willing to work with others. Again, this would damage the opportunity of creating a culture of openness and improvement that it is important for regulators to establish.

Where regulators did require anything around innovation, it was instead focussed on risk management and making sure innovations were safe. Some regulators referenced innovations in their professional standards, for example by identifying innovative technologies and highlighting where regulated entities have the responsibility to report if something has gone wrong when using digital tools. One healthcare regulator also published information on their website to show the importance of discussing the use of innovative technologies with patients / people who use their services and working within the limits of their own skills.

Currently, CQC calls for innovation and improvement through its Assessment Framework. In this, there are "Quality Statements". These lay out the standards CQC expects providers, commissioners and system leaders to live up to. In practice, they are used by inspectors as an assessment criteria to measure provider performance (for more detail on specific Quality Statements, please see the Appendix). The Assessment Framework is currently under review. CQC staff we spoke to felt the Assessment Framework should be clearer about what the requirements are (if any) for *innovation specifically*. This may help encourage providers to take action in advance of inspections (through the anticipatory impact mechanism – see appendix). One staff member also felt that a clearer definition of what "innovation" means for CQC should be supported by innovation training for CQC inspectors.

During interviews, CQC staff were divided on whether innovation should be the focus of one quality statement or whether it might be better to include references to

innovation throughout the framework. Some staff felt that including innovation in multiple quality statements might weaken the message and make assessing providers for innovation repetitive and impractical.

In our workshop with CQC staff, some noted that expectations regarding innovation may be different depending on overall performance of regulated entities. For example, for those regulated entities that are ‘requiring improvement’, there are likely to be more immediate areas of focus that these regulated entities should prioritise to improve their service. But for those regulated entities who are already ‘good’, innovation could be an area to focus their attention on to move up to ‘outstanding’. As one CQC staff member mentioned, CQC’s objective is to encourage improvements in quality. Innovation is only one of many ways to achieve this. Staff felt CQC should consider how to include innovation in the Assessment Framework to make sure it is not seen as necessary for providers who are performing less well.

CQC staff also suggested in the workshop that assessing whether providers have the right environment for innovation to grow should be the priority, rather than measuring the outcomes of specific innovations. This focus on culture and organisational structure was seen as more appropriate for CQC’s role as a regulator.

6 Conclusions and considerations

Each innovation approach explored provides opportunities to deliver, support and encourage innovation among regulated entities. The resource requirements, the level of impact the approach could have and the relevance to CQC vary across approaches, as do the things CQC must be aware of to implement them effectively. When it comes to prioritising approaches to take forward, CQC's role should be considered over and above resources (especially as many approaches can require more or less resources depending on how they are implemented), to ensure that activities undertaken offer the best value.

Most relevant approaches

Sharing examples of good practice or case studies and **encouraging others to do the same** are two approaches CQC may be well-placed to take forward. These are approaches that CQC already have some experience in delivering and, by making use of the experience of other regulators, can do so even more effectively. Sharing good practice can help create a culture of learning and working together and improve relationships with regulated entities. Encouraging others to share also has the additional benefit of being relatively low in resource investment and would be quick to get off the ground.

If CQC were to take forward the approach of sharing good practice, there are specific things they could bear in mind to do this effectively. They could consider having a dedicated way of sharing, for example an area of their website. It would also be beneficial to consider what methods they could use to collect case studies and examples of good practice, and how to make sharing case studies appealing to providers, particularly where these present challenges or failures with valuable lessons. It will also be important for CQC to consider how to make sure that only appropriate examples of good practice are shared: e.g. introducing a quality assurance process to ensure that case studies and good practice examples reflect what is sought after in CQC's assessment framework. Finally, once they have been shared, CQC could consider how to encourage providers to access and use them.

One big thing to bear in mind around sharing case studies is that the potential impact of encouraging innovation from these two processes is limited. It may be useful to use these in combination with other approaches to lead to greater impact.

CQC could also play a role in **encouraging others to work together to address issues affecting the sector**. This approach would involve CQC bringing others together to work on shared problems where innovation could unlock solutions, and has the added benefit of combining resources to do so. CQC could build this into

their Well Led Reviews process, where they assess the way that providers work with one another. Alternatively, CQC could work with ICBs to support this approach on a more local level. CQC would need to be mindful of timescales and not expect quick results due to varying approval processes among providers.

Other approaches of interest

Another approach that CQC could consider is **providing advice for innovation regulatory queries**. By offering this service, CQC could help make their stance on innovation clearer and give providers more confidence to innovate within the rules. CQC have the opportunity to build this approach into their existing query support channels to reduce the amount of resource needed: however, it will still be important to consider whether the service could have negative consequences for resource allocated to fulfil the CQC's core regulatory functions. This approach could also work well alongside sharing good practice, as it provides a means by which case studies could be identified. Were this approach to be taken forward, CQC would need to make it clear that they only offer advice on regulation and innovating safely.

CQC could also consider **programmes to drive commitments to cultural change** to address specific issues that impact the broader health and social care sector and could benefit from innovation. While offering a full programme to drive commitments to cultural change on systemic issues may require a large resource investment, CQC could implement a lighter-touch approach if an appropriate focus area is identified. A lighter-touch approach could involve using the existing State of Care report to identify relevant issues and sharing resources in reports that already attract a high readership, alongside running a small number of events to inspire greater impact.

Less relevant approaches

CQC should not engage with bespoke innovation support/coaching as this is outside of CQC's role as a regulator. **Nor should they make it a requirement to show evidence of innovation**, for a similar reason that it does not seem appropriate for its role as a regulator. Instead, CQC could review how it currently references innovation in its Assessment Framework and ensure expectations around this are clear.

CQC might want to consider **regulatory sandboxes** in the future once CQC is more stable, if they have an area of focus in mind, are prepared to train-up team members and if there is a desire for this within the organisation.

Overall considerations

At a broader level, CQC should work on ensuring there is a shared understanding of innovation within CQC, in terms of how it differs, and fits in with, improvement. CQC

could also consider communicating this vision regularly and consistently to providers.

A common theme among innovation approaches was the beneficial impact of strong relationships between regulator and regulated entity. CQC is well positioned to be a leader in encouraging innovation given its scale and role, and could consider how to build key facilitators, such as strengthening relationships with providers, into their future focus.

Across all its innovation activity, CQC should be mindful of the risks involved and make their position towards this clear. CQC needs to ensure that while they're supporting providers to innovate, they provide a clear message that innovations should follow legislation and that the balance of innovation and risk is achieved.

CQC have the opportunity to make the assessment of equality outcomes of innovations a standard process and minimise Equality, Diversity and Inclusion (EDI) risk. To achieve this, CQC could work on making it clear under which circumstances an impact assessment for EDI risk should be used and how to make these effective and relevant.

How to measure the impact of any approach CQC takes must also be considered. Very few regulators included in this research formally measure the impact of their work encouraging others to innovate, and there were **no mentions of the ultimate impacts on service users** of innovation approaches. However, some reported gathering feedback from regulated entities on their openness towards innovation and how that has changed as a result of activities undertaken by regulators. Regulators took a range of approaches to collecting this feedback: through informal conversations, regulated entity workshops, during inspections, or by looking at changes in behaviour. Gathering effective feedback works best, as with so many of the approaches described in this report, when regulators have good relationships with regulated entities. However, most of the approaches, if implemented successfully, can also help build these positive relationships – this is an important consideration for CQC when deciding on next steps.

7 Appendix

Impact Mechanisms

In a 2018 report authored by The King's Fund and Alliance Manchester Business School for the Department of Health Policy Research Programme, eight "impact mechanisms" were identified outlining how CQCs regulatory action can lead to changes in the providers that are regulated by CQC.[17] CQC acknowledged that assessments can influence change in a range of ways that go beyond a simple direct response to an enforcement action. The framework is beneficial in describing and evaluating impact across the assessment process, and simultaneously broadening CQC's understanding of impact.

Anticipatory

The regulator sets quality expectations, and providers understand those expectations and seek compliance in advance of any regulatory interaction.

Directive

Providers take actions that they have been directed or guided to take by the regulator. This includes enforcement actions and, at the extreme, may involve formal legal repercussions such as prosecution or cancellation of registration.

Informational

The regulator collates intelligence and puts information about provider performance into the public domain or shares it with other actors who then use it for decision-making (e.g. commissioning, patient choice).

Lateral

Regulatory interactions stimulate inter-organisational interactions, such as providers working with their peers to share learning and undertake improvement work.

Organisational

Regulatory interaction leads to internal organisational developments, reflection and analysis by providers that are not related to specific CQC directions. This leads to changes in areas such as internal team dynamics, leadership, culture, motivation and whistleblowing.

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[17] Impact Of The Care Quality Commission On Provider Performance | The King's Fund

Relational

Results from the nature of relationships between regulatory staff (ie, inspectors) and regulated providers. Informal, soft, influencing actions have an impact on providers.

Stakeholder

Regulatory actions encourage, mandate or influence other stakeholders to take action or to interact with the regulated provider.

Systemic

Aggregated findings/information from regulation are used to identify systemic or inter-organisational issues, and to influence stakeholders and wider systems other than the regulated providers themselves.

Research approach

Below is a more detailed breakdown of the research approach we used, as outlined in the Introduction chapter.

Document review

To begin with, the research team carried out a document review of several key documents identified by CQC relating to regulatory approaches to innovation. These were mainly authored by CQC and focussed on driving innovation in the health and social care sector. We absorbed the core learnings from these documents to help inform our overall approach to the qualitative research, including recruitment and drafting of interview topic guides.

Design panel 1

Next, we conducted our first research design panel with experts by experience. The purpose of this was to ensure the voices of those people actually using health and social care services were heard, valued, and acted on. This is a key principle at CQC. The panel included four individuals with a mix of ages, gender identity and health statuses, identified and recruited by CQC. The views of these individuals actively shaped the research team's language and focus when it came to drafting the interview topic guides.

Qualitative interviews

We then carried out in-depth interviews with other regulators, to find out how they approached driving innovation in the organisations they regulated. Fieldwork itself took place from 19th February – 25th April. We interviewed 24 regulators in total, with the profile outlined below:

Profile of qualitative interviews with regulators

Sector	Number of interviews
Health and social care	8
Healthcare	6
Social care	5
Other (including Education and Energy)	5

TOTAL	**24**

Region	Number of interviews
UK	10
England	4
Scotland	1
Wales	2
Northern Ireland	3
International	4
TOTAL	**24**

Regulator type	Number of interviews
Regulator of professions	11
Regulator of providers	9
Quality and safety regulators	4
TOTAL	**24**

Interviews with regulators covered the following topics:

- How they define “innovation” at their organisation

- Approaches they use to encourage innovation in their sector (including enablers, barriers and risks for each approach)
- How they involve other people, including service users and stakeholders
- How they manage risk

In addition to these regulator interviews, we also conducted five interviews with CQC staff covering the following topics:

- CQC's current approaches to encouraging innovation among health and social care providers
- Views on the emerging findings from regulator interviews
- Impact mechanisms and relationships with providers
- Views on CQC's *Learning, improvement and innovation* quality statement
- Wider considerations on innovation and CQC's role in encouraging it

Analysis

After conducting interviews, we also reviewed any supplementary documents that participants had sent to us during or after the interview. During analysis we brought together and compared information from these additional documents, the interviews themselves, and the original documents sent by CQC. This enabled us to build a picture of the main approaches other regulators are using to encourage innovation, and how this varies by sector, regulator type, and regulator size.

Design panel 2

Before presenting our findings to CQC, we led a second design panel with experts by experience. We spoke with five individuals (including the four who attended the first panel) and asked for their views on the emerging findings we had identified from interviews on the following topics:

- EDI and involving people
- Tools used by regulators to drive innovation
- Benefits to people
- Managing risk
- Barriers and facilitators

- Suggestions for CQC

We also asked for any suggestions or considerations to bear in mind for reporting to make sure the findings from this research could be shared in an accessible and user-friendly way.

Staff workshop

Before reporting, we shared our findings with CQC staff at an online workshop event. We encouraged CQC staff to confer amongst themselves and with us anything they found surprising or especially important. We also discussed the extent to which certain findings may be more or less relevant given to CQC's unique context. Key discussion points from the workshop have informed this report.

Quality statements in CQC's Assessment Framework

CQC's Assessment Framework is made up of 5 key elements that health and social care services need to demonstrate of their practices.[18] These are: safety, effectiveness, caring practice, responsiveness to people's needs, and well-led practice. Under each element is a set of quality statements, that CQC expects providers, commissioners and system leaders to live up to.

Below, we have identified the quality statements that involve innovation and improvement.

Delivering evidence-based care and treatment - Effectiveness

"We plan and deliver people's care and treatment with them, including what is important and matters to them. We do this in line with legislation and current evidence-based good practice and standards."

This means that staff and leaders are encouraged to learn about new and innovative approaches that evidence shows can improve the way their service delivers care.

Governance, management and sustainability – Well-led practice

"We have clear responsibilities, roles, systems of accountability and good governance. We use these to manage and deliver good quality, sustainable care, treatment and support. We act on the best information about risk, performance and outcomes, and we share this securely with others when appropriate."

This means that leaders ensure there are management systems to manage current and future performance and risks to the quality of the service. The systems to manage current and future performance and risks to the quality of the service take a proportionate approach to managing risk that allows new and innovative ideas to be tested within the service.

Partnerships and communities – Well-led practice

"We understand our duty to collaborate and work in partnership, so our services work seamlessly for people. We share information and learning with partners and collaborate for improvement."

This means that staff and leaders engage with people, communities and partners to share learning with each other that results in continuous improvements to the

[18] Assessment framework - Care Quality Commission

service. They use these networks to identify new or innovative ideas that can lead to better outcomes for people.

Learning, improvement and innovation – Well-led practice

"We focus on continuous learning, innovation and improvement across our organisation and the local system. We encourage creative ways of delivering equality of experience, outcome and quality of life for people. We actively contribute to safe, effective practice and research".

This means that:

- Staff and leaders have a good understanding of how to make improvement happen. The approach is consistent and includes measuring outcomes and impact.
- Staff and leaders ensure that people using the service, their families and carers are involved in developing and evaluating improvement and innovation initiatives.
- There are processes to ensure that learning happens when things go wrong, and from examples of good practice. Leaders encourage reflection and collective problem-solving.
- Staff are supported to prioritise time to develop their skills around improvement and innovation. There is a clear strategy for how to develop these capabilities and staff are consistently encouraged to contribute to improvement initiatives.
- Leaders encourage staff to speak up with ideas for improvement and innovation and actively invest time to listen and engage. There is a strong sense of trust between leadership and staff.
- The service has strong external relationships that support improvement and innovation. Staff and leaders engage with external work, including research, and embed evidence-based practice in the organisation.

“

IFF Research illuminates the world for organisations businesses and individuals helping them to make better-informed decisions.”

Our Values:

1. Being human first:

Whether employer or employee, client or collaborator, we are all humans first and foremost. Recognising this essential humanity is central to how we conduct our business, and how we lead our lives. We respect and accommodate each individual’s way of thinking, working and communicating, mindful of the fact that each has their own story and means of telling it.

2. Impartiality and independence:

IFF is a research-led organisation which believes in letting the evidence do the talking. We don’t undertake projects with a preconception of what “the answer” is, and we don’t hide from the truths that research reveals. We are independent, in the research we conduct, of political flavour or dogma. We are open-minded, imaginative and intellectually rigorous.

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