



Centre for  
Public Impact  
A BCG FOUNDATION

Insight Paper:

# Unlocking public service improvement through more collaborative regulatory practice



TheKingsFund



ROCHDALE  
BOROUGH COUNCIL



Her Majesty's  
Inspectorate of  
Probation



GMCA  
GREATER  
MANCHESTER  
COMBINED  
AUTHORITY

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MANCHESTER  
DOING THINGS DIFFERENTLY





## Summary: the need for change

Those at all levels in the UK Government and public services consistently identify regulation as important in their work. Regulation can enable public servants to understand how to improve the quality and safety of services and can, therefore, be the foundation of learning and partnership across systems. However, there are challenges. In many contexts, the way regulation is perceived and used by providers, regulators, and inspectors, and the way they interact with each other makes regulation a brake on innovation. This causes stress and tension, and requires management focus, rather than aiding the public service improvement all actors seek.

Significant efforts have been made by regulators, inspectors, and providers, to change how they work around regulation.<sup>1</sup> But

despite this, in many cases, the way both sides work around regulation is not leading to public service improvement and the step change in outcomes that we would expect from 21st century public services. Currently, regulation does not have the learning potential it should to enable public service improvement for those who need it most. Encouraging more collaborative regulatory practice and better relationships between providers, regulators, and inspectors could help improve public services, unlocking the potential of regulation as a tool for learning and public service improvement. This relationship is often not focused on, but a more collaborative relationship, centred on learning together, could dramatically change the way public services work and make them work better for people.

<sup>1</sup> An example of this is the work CQC have done in case mapping: <https://www.cqc.org.uk/guidance-providers/case-studies>

It is the relationships between different levels of the system that influence the outcomes for the person at the centre



## Why does more collaborative regulatory practice matter?

As defined by the National Audit Office, regulation is used to protect the benefit of people, businesses and the environment and to support economic growth and is a statutory instrument to enforce primary and secondary legislation.<sup>2</sup> But currently, the way regulators, inspectors, and providers work together around regulation limits its potential as a critical public service improvement tool. The predominant method of evaluating performance for public sector regulators is through registration, inspection and the publication of reports and performance categories backed up with enforcement powers. This 'rating and ranking' model is not uncontroversial and research has shown that it creates a systemic power inequality between the inspecting organisation and those they are evaluating, with unintended consequences and impacts.<sup>3</sup> Regulators have also historically focused on rating individual providers, rather than taking a system-wide view and holding partners to account for how they work together to deliver services.

Within provider organisations – namely local authorities and public service delivery organisations – internal performance

management approaches are built to meet the regulator's needs. This creates incentives that detract from focusing on personalised support to meet individual needs and preferences.<sup>4</sup> Considerable leadership time is often spent considering how to comply with standards rather than creating a sustainable, adaptable service that works for the people who need it. This limits the potential for learning for frontline professionals. Frontline professionals are often just told the standards they need to comply with, which disempowers them and limits their ability to shape and meaningfully partake in service improvement opportunities that they see in their daily work.

Research by the King's Fund into the impact of regulation practice in the health and care context shows that the relationship between regulator and provider fundamentally affects the way regulation works and its impact.<sup>5</sup> There is a need to change how providers, regulators, and inspectors work together around regulation in a way that promotes an improvement and learning partnership, whilst enabling regulators and inspectors to maintain consistency and objectivity.

<sup>2</sup> National Audit Office 'A Short Guide to Regulation' (September 2017).

<sup>3</sup> Research conducted by The King's Fund and Manchester Business School on the impact of CQC on provider performance (Smithson, 2018)

<sup>4</sup> Source: Insights gained from the Changing Futures baseline system mapping exercise for Greater Manchester

<sup>5</sup> Research conducted by The King's Fund and Manchester Business School on the impact of CQC on provider performance (Smithson, 2018)

# Launching an action enquiry in Greater Manchester into more collaborative regulatory practice to improve services for those who experience multiple disadvantage

Greater Manchester's vision of 'Unified Public Services' focuses on breaking down silos, integrating services around people, prevention and place, and sharing information across the system to deliver better support. Within Greater Manchester, as part of the [Changing Futures](#) work, partners have been focused on how to improve the way that local systems and services work for those adults experiencing multiple disadvantage. Those with multiple disadvantage are defined as adults facing three or more of homelessness, substance misuse, mental health issues, domestic abuse, and contact with the criminal justice system. They are therefore the most vulnerable and excluded from current services. We know these individuals are more likely to come into contact with regulated public services, to fall between the gaps, and be impacted by the fallout from the way services are designed and delivered. In addition, these individuals are more likely to be affected by a range of inequalities. They have circumstances for which a 'one size fits all' approach is likely to be less effective or even actively detrimental.

As part of the work around public service improvement for those who experience multiple disadvantage, **partners in Greater Manchester, alongside regulators and inspectors have launched an action enquiry into more collaborative**

**regulatory practice; to explore a better way of working together around regulation.** From the exploration within the Changing Futures programme in Greater Manchester, it has become clear that existing regulatory practice, particularly in the health and care context and broader public services, is not supporting service improvement for those who experience multiple disadvantage. It is those individuals, and families, experiencing multiple disadvantage who are most likely to feel the effects of current regulatory approaches acutely. As such, if we can understand and progress the issues here, it will be of significant benefit to the broader public service and regulatory environment.

The [Centre for Public Impact \(CPI\)](#) and the [King's Fund](#) have been working with Greater Manchester partners and regulators as a [learning partner](#). This work has focussed on beginning this action enquiry into more collaborative regulatory practice and the effect that could have on public services that need to better support those experiencing multiple disadvantage. This work builds on [CPI's convening of a community of practice](#) of over 40 providers and regulators from across the UK, aimed at understanding some of the barriers to more generative relationships.

## Our progress so far

Providers from Greater Manchester in Oldham and Rochdale have been working with senior leaders in the Care Quality Commission (CQC), Ofsted and HM Inspectorate of Probation, with the support of CPI and the King's Fund, to understand where we could focus our action enquiry to drive real change in regulatory practice and how providers and regulators work together.

Through several working sessions over the past six months, we have defined a promising entry point for a pilot of a different approach. Focusing on how regulators, inspectors, and providers could work together better around regulation **at certain transition points for those experiencing multiple disadvantage** could be transformative for outcomes. Transition points are key areas where people experiencing multiple disadvantage currently do not get the support they need. Such transition points are:

- The transitions between services, for instance, between A&E, housing, custody, social care
- The transition from 18 to adult life
- The transition from care leaver to independence
- The transition from young people's special educational needs and disabilities support services to an adult offer and independent living

We have also begun to scope out activities that we believe could enable more collaborative regulatory practice in this area, that could help drive the cultural and structural change needed in the current relationship and regulatory practice. The two areas of work are:

1. **Conduct collective myth-busting around real and perceived regulatory constraints in services.** Providers and regulators acknowledged that there are both real and perceived constraints around regulation that frustrates all partners in the system and inhibits change. We need to develop a more precise understanding of the real limitations of regulation, and how it can be used as a tool for public service improvement.
2. **Conduct system mapping together to understand the ideal journey through services at these transition points, and how they should look and feel to those experiencing multiple disadvantage.** A lot of system mapping has been conducted by regulators and providers, but it has been carried out in silos. There is an opportunity to work together to undertake system mapping as a partnership to understand how the current system looks and feels to those experiencing multiple disadvantage. Doing this will enable reflection on the role of the provider and the regulator, and allow us to understand how to change the structures around regulatory practice to better enable service improvement.

These areas feel ripe for change for those on both sides of the regulatory relationship. There is a real appetite for change from providers in Rochdale and Oldham, and from CQC, Ofsted and HM Inspectorate of Probation. By designing, implementing and testing an approach to these two areas, this work promises to shine a light on how regulators, inspectors, and providers can work together in many different contexts across public services.



## Taking our action enquiry further; from design to pilot

We want to take this action enquiry further and understand what collaborative regulatory practice could look like between providers in Rochdale, Oldham, CQC, Ofsted and HM Inspectorate of Probation. Local leaders and leaders within the regulator and inspector bodies are very supportive of taking this action enquiry forward together; to move beyond the design phase of this work and to pilot a different approach focused on more collaborative regulatory practice. We believe this work is unique and of significant value. It is the first piece of work in the UK which brings together all the key stakeholders, nationally and locally, to work directly on these cross-cutting issues. Issues

which are central to public service improvement and could help us tackle problems which any single actor or stakeholder cannot address.

To take this action enquiry from design to pilot, we are conducting scoping within Oldham and Rochdale, as well as with regulators and inspectors at CQC, Ofsted and HM Inspectorate of Probation. This is focused on understanding which individuals should be involved in the design and implementation team, and at which transition points to begin our work. We plan to kick off further design work with specific service leads in Q4 2022.

### References

Naylor, C. & Wellings, D., (2019) *A citizen-led approach to health and care: Lessons from the Wigan Deal*, The King's Fund 2019. [Available Online] <https://www.kingsfund.org.uk/publications/wigan-deal>

Smithson, R. et al (2018) *Impact of the Care Quality Commission on provider performance: room for improvement?* The King's Fund, 2018. [Available Online] <https://www.kingsfund.org.uk/publications/impact-cqc-provider-performance>

Insights from [CPI's convening of a community of practice](#) of 40+ providers and regulators from across the UK, aimed at understanding some of the barriers to more generative relationships. CPI convened this community of practice in partnership with [Easier Inc](#), supported by [Lankelly Chase](#).

### Useful Links

[What would education inspection look like if students did the inspecting - States of Mind](#)

[Inspecting the inspectors: students assess Ofsted regime's toll on wellbeing | Ofsted | The Guardian](#)

[Restraint, segregation and seclusion review: Progress reports - Care Quality Commission \(cqc.org.uk\)](#)





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