

Performance report

Who we are and what we do

The Care Quality Commission (CQC) was established under the Health and Social Care Act 2008 as the independent regulator of health and adult social care in England.

We're an arm's length body that reports to Parliament through our sponsor department, the Department of Health and Social Care.

We work with:

- other regulators
- local authorities and commissioning groups
- health and social care organisations
- organisations that represent, or act on behalf of, people who use services, including the Healthwatch network.

Our purpose

To make sure health and social care services provide people with safe, effective, compassionate, high-quality care, and to encourage care services to improve.

The [Health and Care Act 2022](#) gave us new responsibilities to assess how integrated care systems (ICSs) are working together to meet the needs of their local populations and how local authorities are meeting their duties under the [Care Act \(2014\)](#).

Our role

Our regulatory work involves:

- registering health and adult social care providers to carry on regulated activity
- assessing and inspecting services to check whether they are safe, effective, caring, responsive, and well-led
- providing independent assurance to the public on the quality of care in their area
- publishing our judgements and ratings for the quality of health and care services, and for the performance of local authorities in meeting their adult social care responsibilities under the Care Act
- enforcing the regulations by using our legal powers to protect people where we identify poor care
- speaking independently by publishing national and regional commentary and views of the major quality issues in health and social care, and encouraging improvement by highlighting good practice
- protecting the rights of people in vulnerable circumstances, including those whose rights are restricted under the Mental Health Act
- listening to and acting on people's experiences, and involving the public and people who receive care in our regulation.

At the continued request of the Department of Health and Social Care, CQC is the host organisation for the National Guardian's Office (NGO), the body responsible for taking forward measures to improve Freedom to Speak Up (FTSU), Healthwatch England, and since October 2023, the Maternity and Newborn Safety Investigations programme (MNSI). Although they are not independent statutory offices, each has a distinct role and operational separation from CQC's regulatory functions.

In July 2025, the Secretary of State for Health and Social Care published [Fit for the Future: The 10 Year Health Plan for England](#). The plan outlines that CQC will take on aspects of regulation from the Health Services Safety Investigations Body (HSSIB), the National Guardian's Office will be abolished, and that Healthwatch England will move out of our oversight into the Department of Health and Social Care.

Our structure

Under our Executive team (ET), CQC was organised under 6 main areas in 2023/24:

- Operations Group
- Regulatory Leadership
- Corporate Services
- Engagement, Policy and Strategy
- Technology, Data and Insight
- Transformational Change

Our strategic priorities and intended ambitions

Our [strategy published in 2021](#) sets out our intended ambitions under 4 themes:

1. People and communities

Regulation that's driven by people's needs and experiences, focusing on what's important to people and communities when they access, use, and move between services.

Our intended ambition: to be an advocate for change, with our regulation driven by people's needs and their experiences of health and care services. This means focusing on what matters to the public, and to local communities, when they access, use, and move between services.

2. Smarter regulation

Smarter, more dynamic, and flexible regulation that provides up-to-date and high-quality information and ratings, easier ways of working with us, and a more proportionate response.

Our intended ambition: to be smarter in how we regulate. We'll keep pace with changes in health and care, providing up-to-date, high-quality information and ratings for the public, providers and all our partners. We'll target our resources where we can have the greatest impact, focusing on risk and where care is poor, to ensure we're an effective, proportionate and efficient regulator.

3. Safety through learning

Regulating for stronger safety cultures across health and care, prioritising learning and improvement, and collaborating to value everyone's perspectives.

Our intended ambition: for all services to have stronger safety and learning cultures. We want to prioritise safety:

- creating stronger safety cultures
- focusing on learning, improving expertise, listening, and acting on people's experiences
- taking clear and proactive action when improvement takes too long or when changes won't be sustainable.

4. Accelerating improvement

Enabling health and care services and local systems to access support to help improve the quality of care where it's needed most.

Our intended ambition: to do more with what we know to drive improvements across individual services and systems of care. We'll use our unique position to spotlight the priority areas that need to improve and enable access to support where it's needed most.

Running through each theme are 2 core ambitions:

- **Assessing local systems:** providing independent assurance to the public on the quality of care in their area.
- **Tackling inequalities in health and care:** pushing for equality of access, experiences, and outcomes from health and social care services.

Everyone in health and social care has a role to play in tackling the inequalities in health and care. We're committed to regulating to advance equality and protect people's human rights. Our commitment to promoting equity, diversity, and human rights in our work is encompassed in our [equality objectives 2021-2025](#) by:

- amplifying the voices of people who are more likely to have a poorer experience of care or difficulty accessing care
- using data to understand and respond to equality risks
- working with others to improve equality of access, experience, and outcomes
- using our independent voice to reduce inequalities
- delivering on our workforce diversity and inclusion strategy.

Our risks

In 2023/24, we managed 6 risk categories, and our Board set 'appetite levels' for each:

Risk category	Category appetite level
Strategy risk People risk	Open: willing to consider all options and choose one that is most likely to result in successful delivery.
Operational risk Reputational risk Security risk	Cautious: preference for safe business delivery options that have a low degree of residual risk.
Financial risk	Minimalist: preference for very safe business delivery options that have a low degree of inherent risk with the potential for benefit/return. Not a key driver.

We provide a summary of our key risks and issues in our annual [governance statement](#).

Our financial resources

Our funding structure consists of 5 core elements. During 2023/24, our total financial resource amounted to **£294.4 million** as follows (proportion of total financial resource shown in brackets):

1. **Fee income** from annual fees charged to registered providers. For 2023/24, fee income and reserves utilisation totalled **£233.3 million** (79.2%).
2. **Revenue grant-in-aid** (GIA) allocation provided by the Department of Health and Social Care for costs that, under HM Treasury rules, are not chargeable through our fee scheme. The Department of Health and Social Care allocation to CQC for 2023/24 amounted to **£34.2 million** (11.6%).

3. **Capital GIA** provided by the Department of Health and Social Care to fund our capital expenditure activity, as this is not chargeable through fees. The Department of Health and Social Care agreed a CQC allocation of **£22.7 million** (7.7%).
4. **Contract and other income** for reimbursement for services and other income totalled **£3.1 million** (1.1%) in 2023/24.
5. **Non-cash allocation** provided by the Department of Health and Social Care to fund depreciation for non-chargeable activity was **£1.2 million** (0.4%).

HM Treasury has clear rules for recovering the full cost of relevant chargeable regulatory activity through our fees, as outlined in [Managing Public Money](#). Our current fees scheme became effective on 1 April 2019 and is set at a level to cover the cost of our chargeable regulatory activities.

Note 3.1 to the financial statements illustrates the provider sectors from which fee income was generated in 2023/24.

Our revenue GIA allocation from the Department of Health and Social Care funds our recurrent non-chargeable statutory activities such as those relating to:

- enforcement
- the Mental Health Act
- Healthwatch England
- Market Oversight
- the Ionising Radiation (Medical Exposure) Regulations (IR(ME)R)
- Health and Justice inspections
- Children's services inspections
- the National Guardian's Office
- MNSI programme (from October 2023).

In 2023/24, we also received a non-recurrent revenue GIA allocation to scope out additional work and duties in relation to local authority assurance, ICSs, Mental Health Act reform, and Artificial Intelligence Laboratories.

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