

## Service accreditation scheme

### Accredited services - Mergers and acquisitions

This is an instructional document for BACP organisation members who provide an Accredited Counselling/Psychotherapy Service awarded under the BACP Service Accreditation Scheme. It outlines the position, consideration and required actions of BACP accredited services who may find they are facing a merger or acquisition (commonly referred to as a takeover) situation.

Ongoing review and development within an accredited service is expected throughout its five year term of accreditation. Merger and acquisition situations always have the potential for significant influence on an organisation's policies, procedures, operating systems and ethos. Corresponding changes are, sooner or later, likely to impact the organisational provision of a counselling/psychot accredited standards, policies and procedures will be re-evaluated. If a merger or acquisition has occurred, either in the short or long term. It is also BACP's experience that it can take some time for service changes to be fully implemented and resultant impact settled. This is regardless of the standing of an accredited service before or following a merger or acquisition.

However, significant changes must be reported to BACP as soon as they occur, or likely to occur, and similarly confirmed within the consequential annual monitoring submission.

Accredited services are strongly advised to contact BACP to discuss any impending or proposed changes to an accredited service, if there are any concerns in relation to whether accreditation criteria will continue to be met as a result of proposed or planned changes.

The onus is on an accredited service to ensure that BACP are informed of any changes to their counselling /psychotherapy service. BACP reserves the right to withdraw accreditation should it become apparent that service changes have taken place which may impact on accreditation criteria.

## What is a merger and an acquisition?

The distinction between a merger and an acquisition has become increasingly blurred but does still retain some differences.

In the pure sense of the term, a merger happens when two organisations agree to dissolve and move forward as a single, new entity, complete with a new name to reflect the change. All partners will have an influence on the fabric of the new organisation.

An acquisition is the purchase of one business or organisation by another organisation, either in full or in part. The purchased business or organisation may still exist as an independent legal entity, controlled by the acquirer, or it may cease to exist as a legal entity and become part of the new 'parent organisation'. The name of the acquired business may or may not be changed. It is likely that the acquired organisation will have some, but limited, influence on the fabric of the parent organisation and how it sits or operates within that parent organisation.

## Impact on BACP organisational membership

When an accredited service is considering a merger or acquisition, or face being taken over, it will need to consider its BACP organisational membership standing. All organisational members of BACP must be legal entities in their own right - if a counselling /psychotherapy service forms part of larger organisation, such as a section, department or subsidiary, it is the parent organisation itself that must hold the BACP membership, although we would expect our contact for accreditation purposes to be from the

## Implications for accredited service status

If BACP organisational membership is cancelled, service accreditation automatically lapses. The following protocol therefore covers both BACP organisation membership *and* accredited status.

### Service changes result in a new organisation being formed

Irrespective of what these changes are, if a new registered charity/company number is in place, it is classed as a new legal entity. BACP membership is cancelled and accreditation status lapsed. A new application for organisational membership is required and once current status is achieved, a new application for service accreditation can be submitted.

### An accredited service is acquired by another organisation

Membership and accreditation may be retained - there are three scenarios:

- 1) If the accredited service takes on the registered charity/company number of that organisation, it is considered as a new legal entity. BACP membership will be cancelled and accreditation status lapsed. A new application for organisational membership is required under the parent organisation. Once current status is achieved, a new application to accredit the counselling/psychotherapy service can be submitted.
- 2) If the accredited service retains its own registered charity/company number but falls under the governance and management umbrella of the parent organisation, membership is cancelled and accreditation lapsed. Once the parent organisation has current organisational membership, a new application to accredit the counselling/psychotherapy service can be submitted.
- 3) If the accredited service retains its own registered charity/company number and stands as an independent organisation, under the umbrella of the parent organisation, but with its own governance and management in place, membership and accreditation status may be retained.

### An accredited service acquires another organisation or business

The acquired organisation takes on the legal entity of the parent organisation providing an accredited counselling/psychotherapy service. Membership and accreditation status may be retained - there are three scenarios:

- 1) If the acquired organisation is not a counselling/psychotherapy service provider, accreditation status held by the parent organisation can be retained on submission of a declaration that no changes to the accredited service have been made as a result of the acquisition. The declaration must be submitted within one month from the official date of the takeover. Rebranding publicity material must be reported on within subsequent annual monitoring submissions and/or an accreditation term renewal application (if applicable). Membership status of the parent organisation remains unchanged.
- 2) If the acquired organisation is a provider of counselling/psychotherapy, BACP accreditation is lapsed and a new application to re-



## In summary

Management and administration of the Service Accreditation Scheme is undertaken by the BACP Professional Standards department. Any correspondence in relation to the Service Accreditation Scheme should be directed to the Service Accreditation Officer in the first instance, either by email to