

CARE ACT 2014

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1 – Care and Support

Market oversight

Section 53 – Specifying criteria for application of market oversight regime

334. This section deals with the procedures for identifying those providers who are most difficult to replace, and will therefore be subject to financial oversight by the Care Quality Commission (CQC).
335. *Subsection (1)* requires that regulations set out the criteria for entry into the CQC's market oversight regime.
336. *Subsection (2)* stipulates certain factors which may be regarded for the purposes of setting out the entry criteria. These are the provider's size, its concentration in a particular area or areas, and its level of specialism.
337. *Subsection (3)* makes provision for the entry criteria to be kept under review and for the Secretary of State to publish information on how the size, concentration or specialism of a provider and on any other factors considered in setting out the criteria are to be measured.
338. *Subsection (4)* sets out that, by regulations, certain providers - who would otherwise, according to the criteria, be subject to financial oversight by CQC - may be exempted from the market oversight regime, or parts of the regime. The circumstances in which such regulations may be made include those in which the Secretary of State is satisfied that certain registered care providers are already subject to a regulatory regime comparable to the market oversight regime (*subsection (6)*).
339. Conversely, *subsection (5)* establishes that regulations may specify that the market oversight regime, or parts of the regime, apply, or apply only to the extent specified, to certain providers who would otherwise not fall within the regime.