

CARE ACT 2014

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1 – Care and Support

Provider failure

Section 50 – Temporary duty on local authority in Wales

315. This section places a duty on local authorities in Wales to ensure that adults' needs for care and support (or needs for support in the case of an adult who is a carer) continue to be met when a service provider who is registered under Part 2 of the Care Standards Act 2000 becomes unable to carry on or manage their establishment or agency because of business failure. It only applies in relation to needs which the failed service provider was meeting by providing accommodation or services which were paid for with direct payments, or pursuant to arrangements, made by a local authority in England or Scotland or a Health and Social Care trust in Northern Ireland.
316. *Subsections (1) and (2)* make clear that the duty applies where a person who is registered as mentioned becomes unable to carry on or manage their establishment or agency because of business failure and immediately before that was providing the adult with accommodation or other services in Wales, under arrangements made by a local authority in England or Scotland or a Health and Social Care trust in Northern Ireland under the legislative provisions referred to in subparagraphs (i) to (iii) of paragraph (b) of subsection (1), or which were paid for with direct payments made by such an authority or trust under the legislative provisions referred to in subparagraphs (i) to (iii) of paragraph (b) of subsection (2). *Subsection (3)* requires the local authority in Wales in whose area the service was being provided or the accommodation situated to meet the needs which the failed provider was meeting for so long as the authority considers necessary.
317. *Subsection (4)* requires the local authority in Wales, in meeting the adult's needs, to cooperate with the authority or trust which made the arrangements or the direct payments as referred to in subsections (1) or (2) and allows the local authority in Wales to recover the costs it incurs in meeting the needs from that authority or trust.
318. *Subsection (5)* provides that any dispute about the application of this section is to be resolved in accordance with the dispute resolution procedure in paragraph 5 of Schedule 1.