

## Allied Healthcare Market Oversight announcement

**1. PROACTIVE MEDIA STATEMENT – to be proactively sent to key national, local, trade media contacts and published as a news story on CQC’s website with a link tweeted from CQC’s corporate social media accounts.**

**Andrea Sutcliffe CBE, Chief Inspector of Adult Social Care at the Care Quality Commission (CQC), said:** “Allied Healthcare announced its intention to apply for a Company Voluntary Arrangement (CVA) in April this year to restructure its debts.

“Through CQC’s Market Oversight function, we have been closely monitoring the situation and assessing the future viability of the company’s plans to determine whether continuity of care can be maintained for people who are receiving home care services from this provider.

“Allied Healthcare has been able to confirm funding until 30 November 2018. However, we have not received adequate assurance that the company has, or will have, the ongoing funding or new investment necessary to ensure the business can operate beyond this date. We have encouraged Allied Healthcare to provide us with a realistic financially backed plan to support the future sustainability of the business, and given them every opportunity to do so, but they have failed to provide adequate assurance regarding future funding.

“It is now CQC’s legal duty to notify those local authorities where Allied Healthcare is contracted to deliver home care services, that we consider there to be a credible risk of service disruption. We are doing this now to give local authorities as much time as possible to plan for maintaining continuity of care for people relying upon services from this provider, should this be required. Local authorities have a statutory duty to ensure continuity of care for everyone using an adult social care service in the event that it ceases to operate.

“On Monday 5 November, we wrote directly to all 84 local authorities affected to advise them of this situation.

“I understand this is a very unsettling time for everyone who uses Allied Healthcare’s services, their families and loved ones, and staff. We will continue to work closely with Allied Healthcare and all of our partners – the Department of Health and Social Care (DHSC), the Local Government Association (LGA), the Association of Directors of Adult Social Services (ADASS) and NHS England (NHSE) so they can inform the organisations responsible for commissioning people’s care – to make sure appropriate action is being taken in the interests of people’s continuity of care if this proves necessary. It is of course possible that the company is able to avoid service disruption, and if that is the case, we will revise our position accordingly.”

**ENDS**

### **Further background**

- *Allied Healthcare is one of the largest home care providers in England and one of 59 adult social care providers within CQC’s Market Oversight Scheme. CQC’s Market Oversight function monitors the financial health of the largest and most difficult to replace providers of adult social care in England because of their size, which represents about 25% of the adult social care sector.*

- *While CQC is not able to comment on the specific financial circumstances of Allied Healthcare – or any other individual care provider that is within CQC’s Market Oversight Scheme due to commercial sensitivities – CQC is required to notify local authorities where it considers that both business failure is likely, and that regulated services are likely to stop as a result. This is to allow local authorities time to prepare and support the continuity of care services for people who rely and depend on the affected provider.*
- *CQC’s Market Oversight function does not have a role to prevent failure or monitor the sustainability of the adult social care market as a whole.*