

# Regulation 13: Financial position

## Care Quality Commission (Registration) Regulations 2009: Regulation 13

The intention of this regulation is to require providers to make sure they take all reasonable steps to meet the financial demands of providing safe and appropriate services.

To meet this regulation, providers must have the financial resources needed to provide and continue to provide the services as described in the statement of purpose to the required standards.

CQC cannot prosecute for a breach of this regulation or any of its parts but we can take regulatory action. See the [offences section](#) for more detail.

CQC must refuse registration if providers cannot satisfy us that they can and will continue to comply with this regulation.

### The regulation in full

13.—

1. Subject to paragraph (2), the service provider must take all reasonable steps to carry on the regulated activity in such a manner as to ensure the financial viability of the carrying on of that activity for the purposes of—
  - a. achieving the aims and objectives set out in the statement of purpose; and
  - b. meeting the registration requirements prescribed pursuant to section 20 of the Act.
2. This regulation does not apply where the service provider is—
  - a. an English local authority; or
  - b. a health service body.

## Guidance

This sets out the guidance providers must have regard to against the relevant component of the regulation.

**13. —(1)** Subject to paragraph (2), the service provider must take all reasonable steps to carry on the regulated activity in such a manner as to ensure the financial viability of the carrying on of that activity for the purposes of—

**13(1)(a)** achieving the aims and objectives set out in the statement of purpose;

### Guidance on 13(1)(a)

- The provider must have the financial resources needed to provide and continue to provide the services as described in the statement of purpose to the required standards.

- The provider must have insurance and suitable indemnity arrangements to cover potential liabilities arising from death, injury, or other causes, loss or damage to property, and other financial risks.

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