

*These notes refer to the Health and Social Care Act 2012  
(c.7) which received Royal Assent on 27 March 2012*

# HEALTH AND SOCIAL CARE ACT 2012

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 3 - Regulation of Health and Adult Social Care Services**

#### *Chapter 6 – Financial assistance in special administration cases*

#### **Supplementary**

#### *Section 145 - Borrowing*

986. This section enables Monitor to take out loans in order to exercise its functions to provide financial assistance. This is intended to give Monitor greater flexibility in the ways it manages the flows of money into and out of any funds it holds. The nature of failure is not entirely predictable, therefore the instances of failure could be zero for a considerable time period and then there could, in theory, be several occurring all at a similar time. In an instance like this, the funds may be tied up in investments to make the most of public money. Borrowing may be a suitable alternative to releasing money at short notice from investments (which may involve penalties).
987. *Subsection (2)* provides that Monitor would not be able to borrow beyond a borrowing limit specified by the Secretary of State by order.