

## SCHEDULES

### SCHEDULE 1

#### AMENDMENTS

##### PART I

###### AMENDMENTS OF THE NATIONAL HEALTH SERVICE ACT 1977

- 1 The National Health Service Act 1977 shall be amended as follows.
- 2 In section 11 (special health authorities)—
- (a) in subsection (1), for “an District Health Authority or a Family Practitioner Committee” substitute “a Health Authority”,
  - (b) in subsection (3), for “special health authority” substitute “Special Health Authority”, and
  - (c) for the sidenote substitute “Special Health Authorities.”
- 3 Section 12 (supplementary provisions about health authorities) shall be renumbered as subsection (2) of that section and—
- (a) before that subsection as so renumbered insert—
    - “(1) Every Health Authority shall make arrangements for securing that they receive from—
    - (a) medical practitioners, registered nurses and registered midwives; and
    - (b) other persons with professional expertise in and experience of health care,advice appropriate for enabling the Health Authority effectively to exercise the functions conferred or imposed on them under or by virtue of this or any other Act.”,
  - (b) in that subsection as so renumbered, for paragraphs (a) to (c) substitute—
    - “(a) Health Authorities established under section 8 above; and
    - (b) any Special Health Authority established under section 11 above.”, and
  - (c) in the sidenote, for “to” substitute “and
- 4 In section 13 (Secretary of State’s directions)—
- (a) in subsection (1)—
    - (i) for the words from “Regional” to “authority” substitute “Health Authority or Special Health Authority”,
    - (ii) omit “(subject to section 14 below)”, and
    - (iii) for “body in question” substitute “Health Authority or Special Health Authority”, and

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- (b) in subsection (2), omit paragraph (b) and the word “but” immediately preceding it.
- 5 Omit section 14 (Regional Health Authority’s directions).
- 6 In section 15 (duty of Family Health Services Authority)—
- (a) in subsection (1)—
- (i) for the words from “each” to “Regional Health Authority” substitute “each Health Authority, in accordance with regulations”, and
- (ii) for “locality” substitute “area”,
- (b) omit subsection (1A),
- (c) in subsection (1B)—
- (i) for “practices” substitute “practises”,
- (ii) for “Family Health Services Authority” substitute “Health Authority”,
- (iii) for “Authority”, in each other place, substitute “Health Authority”,
- (iv) for “Authority's” substitute “Health Authority's”,
- (v) for “Authorities” substitute “Health Authorities”, and
- (vi) for “locality” (in both places) substitute “area”,
- (d) after that subsection insert—
- “(1C) In relation to the operation of a fund-holding practice by medical practitioners the relevant Health Authority in respect of one or more of whom would (apart from this subsection) be different from that in respect of the other or others, the relevant Health Authority for each of them shall be determined for the purposes of the application of any provision relating to fund-holding practices as if they were all practising in a single partnership.”, and
- (e) for the sidenote substitute “Duty of Health Authority in relation to family health services.
- 7 For section 16 substitute—

### “16 Exercise of functions

- (1) Regulations may provide for functions exercisable by a Health Authority under or by virtue of this Act or the National Health Service and Community Care Act 1990, or under or by virtue of any prescribed provision of any other Act, to be exercisable—
- (a) on behalf of the Health Authority—
- (i) by another Health Authority;
- (ii) by a committee or sub-committee, or an officer, of the Health Authority or another Health Authority;
- (iii) by a joint committee, or joint sub-committee, of the Health Authority and one or more other Health Authorities;
- (iv) by a Special Health Authority; or
- (v) by an officer of a Special Health Authority; or
- (b) by the Health Authority jointly with one or more other Health Authorities.

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(2) Regulations may provide for functions exercisable by a Special Health Authority by virtue of section 11 or 13 above to be exercisable—

- (a) on behalf of the Special Health Authority—
  - (i) by another Special Health Authority;
  - (ii) by a committee or sub-committee, or an officer, of the Special Health Authority or another Special Health Authority; or
  - (iii) by a joint committee, or joint sub-committee, of the Special Health Authority and one or more other Special Health Authorities; or
- (b) by the Special Health Authority jointly with one or more other Special Health Authorities.”

8 For section 17 substitute—

**“17 Directions as to exercise of functions.**

(1) The Secretary of State may give directions with respect to the exercise—

- (a) by Health Authorities of any functions exercisable by them under or by virtue of this or any other Act; and
- (b) by Special Health Authorities of any functions exercisable by them by virtue of section 11 or 13 above or under the National Health Service and Community Care Act 1990.

(2) It shall be the duty of a Health Authority or Special Health Authority to whom directions are given under subsection (1) above to comply with the directions.”

9 In section 18 (general provisions about directions)—

- (a) in subsection (1), for “13 to 17” substitute “11 to 17”,
- (b) omit subsection (2),
- (c) in subsection (3)—
  - (i) for “13” substitute “11”, and
  - (ii) for “a body or” substitute “an authority or a”, and
- (d) for the sidenote substitute “Directions and regulations under ss.11 to 17.”

10 In section 19 (local advisory committees)—

- (a) in subsection (1), omit—
  - (i) “, or for the region of a Regional Health Authority,”, and
  - (ii) “or of the region”,
- (b) in subsection (2), omit paragraph (b),
- (c) omit subsection (3),
- (d) in subsection (4), for “subsections (1) and (3)” substitute “subsection (1)”, and
- (e) in the sidenote and the heading immediately preceding that section, for “Local advisory committees” substitute “Advisory committees for Wales”.

11 In section 20 (Community Health Councils)—

- (a) in subsection (1), for the words from “section” to “those Authorities” substitute “section, in the case of the area of each Health Authority, a

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- council for the area, or separate councils for such separate parts of the area”,  
and
- (b) in subsection (2)—
- (i) in paragraph (a), for the words from “Area Health Authorities” to “District Health Authorities” substitute “Health Authorities”, and
  - (ii) in paragraph (b), for “an Area Health Authority or of the district of a District Health Authority” substitute “a Health Authority”.
- 12 In section 22 (co-operation between health authorities and local authorities)—
- (a) in subsection (1), for “health authorities, Family Practitioner Committees and local authorities” substitute “Health Authorities and Special Health Authorities (on the one hand) and local authorities (on the other)”,
  - (b) in subsection (2), after “who shall” insert “advise”,
  - (c) omit the Table,
  - (d) for subsection (3) substitute—
 

“(3) Except as provided by an order under the following provisions of this section, each joint consultative committee shall represent one or more Health Authorities together with, in the case of each, one or more associated local authorities; and a Health Authority shall be represented together with each of the local authorities associated with that Health Authority in one or other of the committees (but not necessarily the same committee).

(3ZA) For the purposes of subsection (3) above a local authority is associated with a Health Authority if it is a local authority whose area is wholly or partly within the area of the Health Authority.”,
  - (e) in subsection (4)(b), for the words from “an Area” to the end substitute “a Health Authority to be represented on a joint consultative committee together with a local authority none of whose area is within the area of the Health Authority;
- 13 In section 23 (voluntary organisations and other bodies), in subsection (2), for “health authority” substitute “Health Authority or Special Health Authority”.
- 14 In section 26 (supply of goods and services by Secretary of State)—
- (a) for “health authority” (in each place) substitute “Health Authority or Special Health Authority”, and
  - (b) in subsection (4)(b), for “health authorities” substitute “Health Authorities or Special Health Authorities”.
- 15 In section 27 (conditions of supply under section 26)—
- (a) in subsection (1), for “health authority” (in both places) substitute “Health Authority or Special Health Authority”, and
  - (b) in subsection (3)—
    - (i) for “health authorities” substitute “Health Authorities and Special Health Authorities”, and
    - (ii) for “health authority’s duty” substitute “duty of Health Authorities and Special Health Authorities”.
- 16 In section 28 (supply of goods and services by local authorities)—

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- (a) in subsection (1), for “health authority” substitute “Health Authority and any Special Health Authority”, and
  - (b) in subsection (3), for “health authorities” (in both places) substitute “Health Authorities, Special Health Authorities”.
- 17 In section 28A (power to make payments towards expenditure on community services)—
  - (a) in subsection (1), for the words from “authorities” to “established” substitute “authorities—
    - (a) a Health Authority; and
    - (b) a Special Health Authority established”, and
  - (b) in subsection (7)(a), for “districts” substitute “areas”.
- 18 In section 29 (arrangements and regulations for general medical services)—
  - (a) in subsection (1)—
    - (i) for “Family Practitioner Committee” substitute “Health Authority”, and
    - (ii) for “locality” (in both places) substitute “area”,
  - (b) in subsection (2)—
    - (i) in paragraph (e), for “locality” (in both places) substitute “area”, and
    - (ii) in paragraph (f), for “in the locality of a Family Practitioner Committee” substitute “in the area of a Health Authority”, and
  - (c) in subsection (6)—
    - (i) for “a locality” substitute “an area”, and
    - (ii) for “the locality” substitute “the area”.
- 19 In section 30 (applications to provide general medical services)—
  - (a) in subsection (1)—
    - (i) for “Family Practitioner Committee” substitute “Health Authority”,
    - (ii) for “that Committee of” substitute “the Health Authority of”,
    - (iii) for “Committee’s locality” substitute “Health Authority’s area”,
    - (iv) for “the Committee” substitute “the Health Authority”, and
    - (v) for “that Committee shall” substitute “the Committee shall”, and
  - (b) in subsection (1A)—
    - (i) for “Family Practitioner Committee” (in each place) substitute “Health Authority”, and
    - (ii) for “Committee’s locality” substitute “Health Authority’s area”.
- 20 In section 31 (requirement of suitable experience), in subsection (1)(b)—
  - (a) for “Family Practitioner Committee” (in both places) substitute “Health Authority”,
  - (b) for “Committee’s locality” substitute “Health Authority’s area”, and
  - (c) for “their locality” substitute “their area”.
- 21 In section 32 (regulations as to section 31), in subsection (3)(a), for “localities” substitute “areas”.
- 22 In section 33 (distribution of general medical services)—

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- (a) in subsection (1), for “locality of the Family Practitioner Committee concerned or in the relevant part of that locality” substitute “area of the Health Authority concerned or in the relevant part of that area”,
  - (b) in subsection (1A), for “Family Health Services Authorities for localities” (in both places) substitute “Health Authorities for areas”,
  - (c) in subsection (2), for “locality or part of a locality” substitute “area or part of an area”,
  - (d) in subsection (2A)—
    - (i) for “locality of a Family Health Services Authority” substitute “area of a Health Authority”, and
    - (ii) for “the Authority” (in both places) substitute “the Health Authority”,
  - (e) in subsection (3)—
    - (i) for “Family Practitioner Committee” (in both places) substitute “Health Authority”, and
    - (ii) for “locality” substitute “area”,
  - (f) in subsection (4)(b), for “Family Practitioner Committee’s locality” substitute “Health Authority’s area”, and
  - (g) in subsection (8)—
    - (i) for “Family Health Services Authority” substitute “Health Authority”, and
    - (ii) for “locality” substitute “area”.
- 23 In section 34 (regulations for Medical Practices Committee)—
- (a) the provisions preceding subsection (2) shall be renumbered as subsection (1) of that section, and
  - (b) in that subsection as so renumbered—
    - (i) for “Family Practitioner Committees” (in both places) substitute “Health Authorities”, and
    - (ii) for “localities” (in both places) substitute “areas”.
- 24 In section 35 (arrangements for general dental services), in subsection (1)—
- (a) for “Family Practitioner Committee” substitute “Health Authority”, and
  - (b) for “locality” (in both places) substitute “area”.
- 25 In section 36 (regulations as to section 35)—
- (a) in subsection (1)(d), for “locality” (in both places) substitute “area”, and
  - (b) in subsection (2)—
    - (i) for “Family Practitioner Committee” substitute “Health Authority”,
    - (ii) for “the Committee” substitute “the Health Authority”, and
    - (iii) for “Committee’s locality” substitute “Health Authority’s area”.
- 26 In section 37 (Dental Practice Board), in subsection (1)(b), for “an Area or District Health Authority” substitute “a Health Authority”.
- 27 In section 38 (arrangements for general ophthalmic services), in subsection (1)—
- (a) for “Family Practitioner Committee” substitute “Health Authority”, and
  - (b) for “locality” substitute “area”.

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- 28 In section 39 (regulations as to section 38), in paragraph (d), for “locality” (in both places) substitute “area”.
- 29 In section 41 (arrangements for pharmaceutical services)—
- (a) for “Family Practitioner Committee” substitute “Health Authority”,
  - (b) for “locality” (in both places) substitute “area”, and
  - (c) for “by a health authority or an NHS trust of dental services” substitute “of dental services by a Health Authority, a Special Health Authority or an NHS trust”.
- 30 In section 42 (regulations as to pharmaceutical services)—
- (a) in subsection (1)—
    - (i) for “Family Practitioner Committee” substitute “Health Authority”, and
    - (ii) for “Committee’s locality” substitute “Health Authority’s area”,
  - (b) in subsection (2)—
    - (i) for “a Committee” (in both places) substitute “a Health Authority”,
    - (ii) for “Committee’s locality” substitute “Health Authority’s area”, and
    - (iii) for “Committee is” substitute “Health Authority are”, and
  - (c) in subsection (3)—
    - (i) for “Committee” (in each place) substitute “Health Authority”,
    - (ii) for “Committee’s locality.” substitute “Health Authority’s area;”,
    - (iii) for “Family Health Services Authority in whose locality” substitute “Health Authority in whose area”, and
    - (iv) for “that Family Health Services Authority may give its” substitute “that Health Authority may give their”.
- 31 In section 43 (persons authorised to provide pharmaceutical services), in subsection (1), for “a Family Practitioner Committee” substitute “a Health Authority”.
- 32 In section 44 (recognition of local representative committees)—
- (a) in subsection (1)—
    - (i) for “Family Health Services Authority is satisfied” substitute “Health Authority are satisfied”,
    - (ii) for “its locality” substitute “their area”,
    - (iii) for “locality”, in each other place, substitute “area”, and
    - (iv) for “the Family Health Services Authority” substitute “the Health Authority”, and
  - (b) in subsection (2), for “Family Health Services Authority” substitute “Health Authority”.
- 33 In section 45 (functions of local representative committees)—
- (a) for “Family Practitioner Committee” (in each place) substitute “Health Authority”,
  - (b) in subsection (1), for “a locality” substitute “an area”, and
  - (c) in subsection (2), for “locality” substitute “area”.
- 34 In section 46 (disqualification of practitioners)—
- (a) in subsections (1) and (2), for “a Family Practitioner Committee” substitute “a Health Authority”,

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- (b) in subsection (2), for “other Family Practitioner Committee” substitute “other Health Authority”, and
  - (c) in subsection (4), for “Family Practitioner Committee or Committees” substitute “Health Authority or Health Authorities”.
- 35 Section 51 (university clinical teaching and research) shall be renumbered as subsection (1) of that section and—
- (a) in that subsection as so renumbered, for “make available, in premises provided by him by virtue of this Act,” substitute “exercise his functions under this Act and Part I of the National Health Service and Community Care Act 1990 so as to secure that there are made available”, and
  - (b) after that subsection insert—
    - “(2) Regulations may provide for any functions exercisable by a Health Authority or Special Health Authority in relation to the provision of facilities such as are mentioned in subsection (1) above to be exercisable by the Health Authority or Special Health Authority jointly with one or more other relevant health service bodies.
    - (3) For the purposes of subsection (2) above the following are relevant health service bodies—
      - (a) Health Authorities;
      - (b) Special Health Authorities; and
      - (c) NHS trusts.”
- 36 In section 54 (prohibition on sale of medical practices), for subsections (2) to (4) substitute—
- “(2) Subsection (1) above does not render unlawful the sale by a medical practitioner of the whole or part of the goodwill of a medical practice (or part of a medical practice) if—
    - (a) his name has ceased to be entered on any list of medical practitioners undertaking to provide general medical services; and
    - (b) he has not at any time carried on the practice (or the part of the practice) anywhere which was, at a time when he provided services pursuant to arrangements with any Council, Committee or Authority, within the area, district or locality of the Council, Committee or Authority.
  - (3) Subsection (1) above does not render unlawful the sale of, or of any part of, the goodwill of a medical practice by a medical practitioner by reason only that the goodwill, or any part of the goodwill, to be sold is attributable to a practice previously carried on by a person whose name was entered on a list of medical practitioners undertaking to provide general medical services.
  - (4) In this section “general medical services” includes the services so described provided pursuant to the provisions of the National Health Service Act 1946, the National Health Service Reorganisation Act 1973 or this Act by arrangement with any Council, Committee or Authority.”
- 37 In section 56 (inadequate services)—
- (a) for “the locality of a Family Practitioner Committee or part of the locality of such a Committee” substitute “the area, or part of the area, of a Health Authority”,



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- (b) for the words from “in question” to “are not” substitute “in question in that area or part, or that for any other reason any considerable number of persons in any such area or part are not”, and
  - (c) for “the Family Practitioner Committee” substitute “the Health Authority”.
- 38 In section 65 (accommodation and services for private patients)—
- (a) in subsection (1)—
    - (i) for “District or Special Health Authority” substitute “Health Authority or Special Health Authority”,
    - (ii) for the words from “available, such charges” to “satisfied” substitute “available, such charges as the Health Authority or Special Health Authority may determine and may make and recover such charges as they may determine in respect of such accommodation and services and calculate those charges on any basis that they consider to be the appropriate commercial basis; but they shall do so only if and to the extent that they are satisfied”, and
    - (iii) for “the Authority of any function conferred on the Authority under” substitute “the Health Authority or Special Health Authority of any function conferred on them under”,
  - (b) in subsection (1A), for “District or Special Health Authority” substitute “Health Authority or Special Health Authority”,
  - (c) in subsection (2), for “A District or Special Health Authority” substitute “A Health Authority or Special Health Authority”, and
  - (d) in subsection (3)—
    - (i) for “District or Special Health Authority” substitute “Health Authority or Special Health Authority”, and
    - (ii) for “an authority” substitute “a Health Authority or Special Health Authority”.
- 39 In section 83 (sums payable to persons providing services), for—
- (a) the words in paragraph (a) from “a Regional” to “Committee”, and
  - (b) the words in paragraph (b) from “an Area” to “Committee”,
- substitute “a Health Authority or Special Health Authority”.
- 40 In section 83A (remission and repayment of charges and payment of travelling expenses), in subsection (1)(c), for “District Health Authority” (in both places) substitute “Health Authority”.
- 41 In section 85 (default powers), in subsection (1), for paragraphs (a) to (g) substitute—
- “(a) a Health Authority;
  - (b) a Special Health Authority;
  - (c) an NHS trust;
  - (d) the Medical Practices Committee; or
  - (e) the Dental Practice Board;”.
- 42 In section 90 (gifts on trust), for “health authority” substitute “Health Authority or Special Health Authority”.
- 43 In section 91 (private trusts for hospitals), in subsection (3)(b), for “District Health Authority” substitute “Health Authority”.
- 44 In section 92 (further transfers of trust property)—

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- (a) in subsection (1)—
    - (i) for “health authority”, in the first place, substitute “Health Authority or Special Health Authority”, and
    - (ii) for the words from “from any health authority” to the end substitute “from any relevant health service body to any other relevant health service body.”,
  - (b) after that subsection insert—
    - “(1A) In this section “relevant health service body” means—
      - (a) a Health Authority;
      - (b) a Special Health Authority;
      - (c) an NHS trust;
      - (d) special trustees; or
      - (e) trustees for an NHS trust.”,
  - (c) in subsection (2)—
    - (i) for “one or more health authorities or NHS trusts” substitute “one or more bodies which are relevant health service bodies by virtue of subsection (1A)(a) to (c) above”, and
    - (ii) for the words from “health authority” to the end substitute “body or, in such proportions as may be specified in the order, to those bodies.”,
  - (d) in subsection (3), for “health authorities or NHS trusts and special trustees” substitute “special trustees and other bodies”, and
  - (e) in subsection (4), for “authorities or NHS trusts” substitute “bodies
- 45 In section 96 (trusts: supplementary provisions), in subsection (1A), for “health authority” substitute “Health Authority or Special Health Authority”.
- 46 In section 96A (power to raise money by appeals, collections etc.)—
- (a) in subsection (1), for—
    - (i) “health authority”, and
    - (ii) “authority”,
 substitute “Health Authority, Special Health Authority”,
  - (b) in subsections (3) and (4), for “health authority, NHS trust or Board” substitute “Health Authority, Special Health Authority or NHS trust”,
  - (c) in subsection (5), for “District Health Authority” substitute “Health Authority”,
  - (d) in subsection (6), omit the words from “to another” to “for an NHS trust”,
  - (e) in subsections (7) to (9), for—
    - (i) “health authority, NHS trust or Board” (in each place), and
    - (ii) “authority, NHS trust or Board” (in each place),
 substitute “Health Authority, Special Health Authority or NHS trust”, and
  - (f) in subsection (8), omit—
    - (i) “or by a Regional Health Authority”, and
    - (ii) “or that Authority”.
- 47 For section 97 substitute—

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**“97 Means of meeting expenditure of Health Authorities and Special Health Authorities out of public funds.**

- (1) It is the duty of the Secretary of State to pay to each Health Authority sums equal to expenditure of the Health Authority which—
  - (a) is attributable to the payment of remuneration to persons providing services in pursuance of Part II of this Act; but
  - (b) is not expenditure within subsection (2) below.
- (2) It is also the duty of the Secretary of State to pay in respect of each financial year to each Health Authority sums not exceeding the amount allotted for that year by the Secretary of State to the Health Authority towards meeting the expenditure of the Health Authority which is attributable to the reimbursement of expenses of persons providing services in pursuance of Part II of this Act which are expenses—
  - (a) incurred in connection with the provision of the services (or in giving instruction in matters relating to the services); and
  - (b) of a description specified in the allotment.
- (3) It is also the duty of the Secretary of State to pay in respect of each financial year to each Health Authority sums not exceeding the amount allotted for that year by the Secretary of State to the Health Authority towards meeting the expenditure of the Health Authority which—
  - (a) is attributable to the performance by the Health Authority of their functions in that year; but
  - (b) is not expenditure within subsection (1) or (2) above.
- (4) It is the duty of the Secretary of State to pay in respect of each financial year to each Special Health Authority sums not exceeding the amount allotted for that year by the Secretary of State to the Special Health Authority towards meeting the expenditure of the Special Health Authority which is attributable to the performance by the Special Health Authority of their functions in that year.
- (5) An amount is allotted to a Health Authority or Special Health Authority for a year under this section when they are notified by the Secretary of State that it is allotted to them for that year; and the Secretary of State may make an allotment under this section increasing or reducing an allotment previously so made.
- (6) The Secretary of State may give directions to a Health Authority or Special Health Authority with respect to—
  - (a) the application of sums paid to them under subsections (1) to (3), or subsection (4), above;
  - (b) the payment of sums by them to the Secretary of State in respect of charges or other sums referable to the valuation or disposal of assets; or
  - (c) the application by them of sums received by them by virtue of section 15(7)(a) of the National Health Service and Community Care Act 1990.

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- (7) Where directions have been given to a Health Authority or Special Health Authority under subsection (6) above it is the duty of the Health Authority or Special Health Authority to comply with the directions.
- (8) Where an order establishing a Special Health Authority provides for any expenditure of the Special Health Authority to be met by a Health Authority or by two or more Health Authorities in portions determined by or in accordance with the order, it is the duty of the Health Authority, or each of the Health Authorities, to pay to the Special Health Authority sums equal to, or to the appropriate portion of, that expenditure.
- (9) Sums falling to be paid under this section shall be payable subject to compliance with such conditions as to records, certificates or otherwise as the Secretary of State may determine.”

48 For section 97A substitute—

**“97A Financial duties of Health Authorities and Special Health Authorities.**

- (1) It is the duty of every Health Authority, in respect of each financial year, to perform their functions so as to secure that the expenditure of the Health Authority which is attributable to the performance by them of their functions in that year (not including expenditure within subsection (1) of section 97 above) does not exceed the aggregate of—
  - (a) the amounts allotted to them for that year under subsections (2) and (3) of that section;
  - (b) any sums received by them in that year under any provision of this Act (other than sums received by them under that section); and
  - (c) any sums received by them in that year otherwise than under this Act for the purpose of enabling them to defray any such expenditure.
- (2) It is the duty of every Special Health Authority, in respect of each financial year, to perform their functions so as to secure that the expenditure of the Special Health Authority which is attributable to the performance by them of their functions in that year does not exceed the aggregate of—
  - (a) the amount allotted to them for that year under subsection (4) of section 97 above;
  - (b) any sums received by them in that year under any provision of this Act (other than sums received by them under that subsection); and
  - (c) any sums received by them in that year otherwise than under this Act for the purpose of enabling them to defray any such expenditure.
- (3) The Secretary of State may give such directions to a Health Authority or Special Health Authority as appear to be requisite to secure that the Health Authority or Special Health Authority comply with the duty imposed on them by subsection (1) or (2) above.
- (4) Directions under subsection (3) above may be specific in character.
- (5) Where directions have been given to a Health Authority or Special Health Authority under subsection (3) above it is the duty of the Health Authority or Special Health Authority to comply with the directions.
- (6) To the extent to which—

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- (a) any expenditure is defrayed by a Health Authority or Special Health Authority as trustee or on behalf of a Health Authority or Special Health Authority by special trustees; or
- (b) any sums are received by a Health Authority or Special Health Authority as trustee or under section 96A above,

that expenditure and, subject to subsection (8) below, those sums shall be disregarded for the purposes of this section.

(7) For the purposes of this section sums which, in the hands of a Health Authority or Special Health Authority, cease to be trust funds and become applicable by the Health Authority or Special Health Authority otherwise than as trustee shall be treated, on their becoming so applicable, as having been received by the Health Authority or Special Health Authority otherwise than as trustee.

(8) Of the sums received by a Health Authority or Special Health Authority under section 96A above so much only as accrues to the Health Authority or Special Health Authority after defraying any expenses incurred in obtaining them shall be disregarded under subsection (6) above.

(9) Subject to subsection (6) above, the Secretary of State may by directions determine—

- (a) whether sums of a description specified in the directions are, or are not, to be treated for the purposes of this section as received under this Act by a Health Authority or Special Health Authority of a description specified in the directions;
- (b) whether expenditure of a description specified in the directions is, or is not, to be treated for those purposes as—
  - (i) expenditure within subsection (1) above of a Health Authority of a description so specified; or
  - (ii) expenditure within subsection (2) above of a Special Health Authority of a description so specified; or
- (c) the extent to which, and the circumstances in which, sums received—
  - (i) by a Health Authority under subsections (1) to (3) of section 97 above; or
  - (ii) by a Special Health Authority under subsection (4) of that section,

but not yet spent are to be treated for the purposes of this section as part of the expenditure of the Health Authority or Special Health Authority and to which financial year's expenditure they are to be attributed.”

49 Omit section 97B (financial duties of Family Health Services Authorities in Wales).

50 In section 98 (accounts and audit)—

- (a) in subsection (1), for paragraphs (a) to (cc) substitute—
  - “(a) every Health Authority;
  - (b) every Special Health Authority;
  - (c) every NHS trust;”;
- (b) in subsection (2A)—
  - (i) for “District Health Authority” substitute “Health Authority”,

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- (ii) for “Authority’s district” substitute “Health Authority’s area”, and
    - (iii) for “Authority is the prescribed Authority” substitute “Health Authority is prescribed for the purposes of this subsection”,
  - (c) in the subsection numbered (2B) which was inserted by section 20(2)(b) of the National Health Service and Community Care Act 1990—
    - (i) after “paid” insert “under section 15 of the National Health Service and Community Care Act 1990”,
    - (ii) for “Family Health Services Authority” (in both places) substitute “Health Authority”, and
    - (iii) for “the Authority” substitute “the Health Authority”, and
  - (d) omit subsection (5).
- 51 In section 99 (regulation of financial arrangements), in subsection (1), for paragraphs (a) to (d) substitute—
- “(a) Health Authorities,
  - (b) Special Health Authorities,”.
- 52 In section 103 (special arrangement as to payment of remuneration), in subsection (3), for “Family Health Services Authority which, under Part II of this Act, has” substitute “Health Authority which, under Part II of this Act, have”.
- 53 In section 104 (superannuation of officers of certain hospitals), in subsection (1) (a), for “Area or District Health Authorities” substitute “Health Authorities”.
- 54 In section 105 (payments for certain medical examinations), in subsection (2)(b), for “health authority” substitute “Health Authority or Special Health Authority”.
- 55 In section 124 (special notices of births and deaths)—
- (a) in subsection (2)—
    - (i) for the words from “prescribed” to “includes” substitute “Health Authority the area of which includes”, and
    - (ii) for “Authority’s area or district as are entered (on and after 1st April 1974)” substitute “Health Authority’s area as are entered”,
  - (b) in subsection (4), for the words from “prescribed” to “district” substitute “Health Authority for the area”,
  - (c) in subsection (5)—
    - (i) for the words from “prescribed” to “office” substitute “Health Authority at their offices”,
    - (ii) for “that officer’s office” substitute “the Health Authority’s offices”,
    - (iii) for “an Area or District Health Authority” substitute “a Health Authority”, and
    - (iv) omit “or district”,
  - (d) in subsection (6), for “Area or District Health Authority” substitute “Health Authority”, and
  - (e) in subsection (7), for “medical officer” substitute “Health Authority”.
- 56 In section 125 (protection of members and officers of authorities), for paragraphs (a) to (d) substitute—
- “(a) a Health Authority,
  - (b) a Special Health Authority, and
  - (c) an NHS trust,”.

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- 57 In section 126 (regulations and directions: general provisions), for the second sentence of subsection (3) substitute—
- “(3A) Directions given by the Secretary of State in pursuance of any provision of this Act or Part I of the National Health Service and Community Care Act 1990 shall be given by an instrument in writing.
- (3B) In relation to directions given in pursuance of sections 11 to 17 above section 18 above applies in place of subsections (3) and (3A) above.”
- 58 In section 128 (interpretation), in subsection (1)—
- (a) omit the definitions of “District Health Authority” and “health authority”, and
- (b) after the definition of “functions” insert—
- ““fund-holding practice” shall be construed in accordance with section 14 of the National Health Service and Community Care Act 1990;”.
- 59 In Schedule 5 (authorities), insert as Part I (and in substitution for the existing heading of the Schedule)—
- “Health Authorities and Special Health Authorities

## PART I

### MEMBERSHIP OF HEALTH AUTHORITIES

- 1 A Health Authority shall consist of—
- (a) a chairman appointed by the Secretary of State;
- (b) not more than a prescribed number of persons (not being officers of the Health Authority) appointed by the Secretary of State; and
- (c) a prescribed number of officers of the Health Authority.
- 2 Regulations may provide that all or any of the persons appointed as members of a Health Authority under paragraph 1(b) above—
- (a) must hold posts of a prescribed description; or
- (b) must fulfil any other prescribed conditions.
- 3 Regulations shall provide that each of the persons who is a member of a Health Authority under paragraph 1(c) above must either—
- (a) hold an office of the Health Authority of a prescribed description; or
- (b) be appointed by the chairman of the Health Authority and the persons appointed as members of the Health Authority under paragraph 1(b) above.
- 4 Regulations may provide for a person of a prescribed description who is not an officer of a Health Authority to be treated for the purposes of this Part of this Schedule, and any other prescribed provision relating to members of (or of committees or sub-committees of) Health Authorities, as if he were such an officer.”
- 60 In Part III of that Schedule (supplementary provisions about authorities)—

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- (a) in paragraph 8, for the words from “Regional” to “Committee” substitute “Health Authority and each Special Health Authority”,
  - (b) in paragraph 9—
    - (i) in sub-paragraph (1), omit “or a Regional Health Authority”, and
    - (ii) in sub-paragraph (7), for the words from “means” to “which is specified” substitute “means—
      - (a) a Health Authority; or
      - (b) any Special Health Authority which is specified”,
  - (c) in paragraph 10—
    - (i) in sub-paragraph (1)(b), after “employ” insert “a chief officer and officers of such other descriptions as may be prescribed and to employ”, and
    - (ii) in sub-paragraph (3), omit paragraphs (b) and (d),
  - (d) in paragraph 11, omit—
    - (i) in sub-paragraph (2), “or, as the case may be, a Regional Health Authority’s”, “or the Authority” (in both places), “or itself” and “or paragraph (d)”, and
    - (ii) in sub-paragraph (3), “or Regional Health Authority” and “or paragraph (b)” and “or the Authority” (in both places),
  - (e) in paragraph 12(b), omit “, and the exercise of functions by,”,
  - (f) in paragraph 12A, for the words from “or Schedule 1” to “those Schedules)” substitute “may make provision (including provision modifying this Schedule)”, and
  - (g) omit paragraph 15(3).
- 61 In Schedule 6 (local advisory committees)—
- (a) in paragraph 1(1), omit “, or for the region of a Regional Health Authority, or the area or district of an Area or District Health Authority,”,
  - (b) in paragraph 2, omit “or (3)”,
  - (c) omit paragraph 4,
  - (d) in paragraph 5—
    - (i) for “An Authority” substitute “The Secretary of State”,
    - (ii) for “paragraphs 3 or 4” substitute “paragraph 3”,
    - (iii) for “the Authority” substitute “the Secretary of State”, and
    - (iv) omit the second sentence, and
  - (e) in the heading, for “Local Advisory Committees” substitute “Advisory Committees for Wales”.
- 62 In Schedule 7 (Community Health Councils)—
- (a) in paragraph 2—
    - (i) in paragraph (d), for the words from “Regional” to “Committees” substitute “Health Authorities and NHS trusts”,
    - (ii) in paragraph (e), for the words from “Regional” to “Services Authorities” substitute “Health Authorities and NHS trusts” and for “such health authorities” substitute “Health Authorities”,
    - (iii) in paragraph (f), for “such Authorities and Committees” substitute “Health Authorities”, and
    - (iv) in paragraph (g), for “such Authorities or Committees” substitute “Health Authorities”,



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- (b) in paragraph 3(d), for the words from “Regional” to the end substitute “Health Authority.”,
  - (c) in paragraph 7, in the definition of “district”, for the words from “the locality” to “District Health Authorities” substitute “the district for which it is established, whether the district consists of the whole or part of the area of a Health Authority or of the whole or part of the area of one Health Authority together with the whole or part of the area of one or more others.”, and
  - (d) omit paragraph 8.
- 63 In Schedule 9 (tribunal for purposes of section 46), in paragraph 3, for “Family Practitioner Committees” (in both places) substitute “Health Authorities”.
- 64 In Schedule 14 (transitional provisions and savings), in paragraph 13—
- (a) in sub-paragraph (1)(b), for the words from “paragraphs” to “152” substitute “paragraphs 2, 7 to 9, 40, 68, 82, 109, 111, 123, 124(2) and (3), 125(2), 128, 130, 131(2), 132, 133, 151 and 152”, and
  - (b) in sub-paragraph (2)—
    - (i) after “this Act” insert “or the Health Authorities Act 1995”, and
    - (ii) for “131” substitute “131(2)”.