



National Health Service Act 1977

1977 CHAPTER 49

PART IV

PROPERTY AND FINANCE

Finance and Accounts

[^{F1}97D Financial duties of Primary Care Trusts.

- (1) It is the duty of every Primary Care Trust, in respect of each financial year, to perform its functions so as to secure that the expenditure of the trust which is attributable to the performance by the trust of its functions in that year (not including expenditure within subsection (1)(a) of section 97C above) does not exceed the aggregate of—
 - (a) the amount allotted to it for that year under subsection (1)(b) of that section,
 - (b) any sums received by it in that year under any provision of this Act (other than sums received by it under that section ^{F2} . . .), and
 - (c) any sums received by it in that year otherwise than under this Act for the purpose of enabling it to defray any such expenditure.
- (2) The Secretary of State may give such directions to a Primary Care Trust as appear to be requisite to secure that the trust complies with the duty imposed on it by subsection (1) above.
- (3) Directions under subsection (2) above may be specific in character.
- (4) To the extent to which—
 - (a) any expenditure is defrayed by a Primary Care Trust as trustee or on behalf of a Primary Care Trust by special trustees, or
 - (b) any sums are received by a Primary Care Trust as trustee or under section 96A above,

that expenditure and, subject to subsection (6) below, those sums shall be disregarded for the purposes of this section.

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- (5) For the purposes of this section sums which, in the hands of a Primary Care Trust, cease to be trust funds and become applicable by the Primary Care Trust otherwise than as trustee shall be treated, on their becoming so applicable, as having been received by the Primary Care Trust otherwise than as trustee.
- (6) Of the sums received by a Primary Care Trust under section 96A above so much only as accrues to the Primary Care Trust after defraying any expenses incurred in obtaining them shall be disregarded under subsection (4) above.
- (7) Subject to subsection (4) above, the Secretary of State may by directions determine—
- (a) whether specified sums are, or are not, to be treated for the purposes of this section as received under this Act by a specified Primary Care Trust,
 - (b) whether specified expenditure is, or is not, to be treated for those purposes as expenditure within subsection (1) above of a specified Primary Care Trust, or
 - (c) the extent to which, and the circumstances in which, sums received by a Primary Care Trust under section 97C above but not yet spent are to be treated for the purposes of this section as part of the expenditure of the Primary Care Trust and to which financial year's expenditure they are to be attributed.
- (8) In subsection (7) above, “specified” means of a description specified in the directions.]

Textual Amendments

- F1** s. 97D inserted (1.4.2000 for E. for the purposes of the financial year 2000-2001 and subsequent financial years and otherwise *prosp.*) by 1999 c. 8, ss. 3, 67; S.I. 1999/2342, art. 2(4), **Sch. 3**
- F2** Words in s. 97D(1)(b) repealed (1.10.2002) by National Health Service Reform and Health Care Professions Act 2002 (c. 17), ss. 37(1), 42(3), Sch. 8 para. 6, **Sch. 9 Pt. 3**; S.I. 2002/2478, **art. 3(1)(e)**
(f)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act modified by [2003 c. 43 Sch. 7 para. 3\(7\)](#)
- Act repealed by [2006 c. 43 Sch. 4](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 3(4) inserted by [2003 c. 43 Sch. 11 para. 8](#)
- s. 3(4)(a) words substituted by [2006 c. 28 Sch. 8 para. 7\(4\)\(a\)](#)
- s. 3(4)(b) modified by [S.I. 2004/865 art. 109\(2\)\(a\)](#)
- s. 3(4)(b) words substituted by [2006 c. 28 Sch. 8 para. 7\(4\)\(b\)](#)
- s. 8(9)(10) added by [2006 c. 28 s. 74\(1\)](#)
- s. 11(4A)(4B) inserted by [2006 c. 28 s. 74\(2\)\(a\)](#)
- s. 16B(4) inserted by [2003 c. 43 s. 182\(1\)](#)
- s. 16BC(4) inserted by [2003 c. 43 s. 182\(2\)](#)
- s. 16CA and heading inserted by [2003 c. 43 s. 170](#)
- s. 16CB inserted by [2003 c. 43 s. 171\(1\)](#)
- s. 16CC inserted by [2003 c. 43 s. 174](#)
- s. 16CD16CE inserted by [2006 c. 28 s. 37](#)
- s. 19A(2)(aa) inserted by [2003 c. 43 Sch. 9 para. 9](#)
- s. 20A inserted by [2003 c. 4 s. 1\(1\)](#)
- s. 21(4) inserted by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 9](#)
- s. 22(1A)(e) inserted by [2003 c. 43 Sch. 4 para. 25](#)
- s. 28D(1)(b)-(bc) substituted for s. 28D(1)(b)(c) by [2003 c. 43 s. 177\(2\)](#)
- s. 28D(1)(bc)(i) modified by [S.I. 2004/865 art. 109\(2\)\(a\)](#)
- s. 28D(1)(bc)(iii) words substituted by [S.I. 2004/957 Sch. para. 3](#)
- s. 28D(1A) inserted by [2003 c. 43 s. 177\(3\)](#)
- s. 28E(3)(ca) inserted by [2003 c. 43 s. 177\(7\)](#)
- s. 28E(3A)(3B) inserted by [2003 c. 43 s. 177\(8\)](#)
- s. 28E(3C) inserted by [2003 c. 43 s. 177\(9\)](#)
- s. 28E(3D) inserted by [2003 c. 43 s. 177\(10\)](#)
- s. 28E(3E)(3F) inserted by [2003 c. 43 s. 177\(11\)](#)
- s. 28K-28P and heading inserted by [2003 c. 43 s. 172\(1\)](#)
- s. 28M(4) words substituted by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 16](#)
- s. 28Q-28W and heading(s) inserted by [2003 c. 43 s. 175\(1\)](#)
- s. 28W(5) applied by [S.I. 2004/478 reg. 100\(3\)](#)
- s. 28W(5) applied by [S.I. 2004/478 Sch. 6 para. 100\(3\)](#)
- s. 28X applied (with modifications) by [S.I. 2006/552 Sch. 1 para. 4](#)
- s. 28X inserted by [2003 c. 43 s. 179\(1\)](#)
- s. 28X heading words substituted by [2006 c. 28 s. 39\(5\)](#)
- s. 28X(1A) inserted by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 17\(a\)](#)
- s. 28X(2A) inserted by [2006 c. 28 s. 39\(2\)](#)
- s. 28X(3)(b) words substituted by [2006 c. 28 s. 39\(3\)](#)
- s. 28X(3)(c) added by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 17\(b\)](#)
- s. 28X(6A) inserted by [2006 c. 28 s. 39\(4\)](#)
- s. 28Y inserted by [2003 c. 43 s. 180](#)
- s. 28Y(1) applied (with modifications) by [S.I. 2006/552 Sch. 1 para. 5](#)
- s. 28Y(1)(a) substituted by [2006 c. 28 s. 40\(2\)](#)
- s. 28Y(1)(b) words substituted by [2006 c. 28 s. 40\(3\)](#)
- s. 28Y(1)(c) added by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 18](#)
- s. 28WA-28WF and cross-heading inserted by [2006 c. 28 s. 38](#)
- s. 29-34A repealed by [2003 c. 43 s. 175\(2\)Sch. 14 Pt. 4](#)

- s. 34A inserted by [1997 c. 46 s. 25\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 25(1) repealed (1.4.2004) without ever being in force by Health and Social Care (Community Health and Standards) Act 2003 (c. 43), s. 199(1) (4), Sch. 14 Pt. 4 Note; S.I. 2004/288, art. 6(2)(p) (with art. 8) (as amended by S.I. 2004/866 and S.I. 2005/2925); S.I. 2004/480, art. 5(2)(p) (with arts. 6, 7) (as amended by S.I. 2004/1019 and S.I. 2006/345))
- s. 35(3)-(3B) substituted for s. 35(3) by [S.I. 2005/2011 Sch. 6 para. 1\(2\)\(a\)](#) (This amendment comes into force on a day to be specified in the London, Edinburgh and Belfast Gazettes (see, for example, the London Gazette, issue nos. 57734, 57975, 58050 and 58769, dated respectively 19.8.2005, 5.6.2006, 21.7.2006 and 18.7.2008))
- s. 42(2A) inserted by [2001 c. 15 s. 40\(3\)](#)
- s. 42(2B)(2C) inserted by [2006 c. 28 s. 35](#)
- s. 42A42B inserted by [2006 c. 28 s. 34\(1\)](#)
- s. 43(4)(5) added by [1997 c. 19 Sch. para. 6](#) (This amendment not applied to [legislation.gov.uk](#). 1997 c. 19 repealed (30.3.2007) by S.I. 2007/289, art. 1(2)(3), Sch. 1 para. 6; commencing date as notified in The Gazette, published 23.3.2007)
- s. 43A inserted by [1984 c. 48 s. 7\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 7(1) repealed (1.3.2007 immediately before the National Health Service Act 2006 comes into force) without ever being in force by National Health Service (Pre - consolidation Amendments) Order 2006 (S.I. 2006/1407), art. 1(1), Sch. 2 (with art. 4))
- s. 43A43B substituted by [1999 c. 8 s. 10\(1\)\(2\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 10 repealed (1.3.2007) without ever being in force by National Health Service (Consequential Provisions) Act 2006 (c. 43), ss. 6, 8(2), Sch. 4 (with Sch. 2 Pt. 1))
- s. 43A43B substituted by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 19](#)
- s. 43A(3) repealed by [1997 c. 46 Sch. 2 para. 77](#)[Sch. 3 Pt. 2](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 2 para. 77 repealed (E.W.) (1.3.2007 immediately before the National Health Service Act 2006 comes into force) without ever being in force by The National Health Service (Pre-consolidation Amendments) Order 2006 (S.I. 2006/1407), art. 1(1), Sch. 2 (with art. 4))
- s. 43B added by [1984 c. 48 s. 7\(3\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 7(3) repealed to the extent that it inserts section 43B of the National Health Service Act 1977 (1.3.2007 immediately before the National Health Service Act 2006 comes into force) without that amendment ever being in force by National Health Service (Pre - consolidation Amendments) Order 2006 (S.I. 2006/1407), art. 1(1), Sch. 2 (with art. 4))
- s. 44(3A) inserted by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 20\(c\)](#)
- s. 45A45B inserted by [2003 c. 43 Sch. 11 para. 23](#)
- s. 45A(3) modified by [S.I. 2004/865 art. 109\(2\)\(a\)](#)
- s. 45A(3)(a) word repealed by [2006 c. 28 Sch. 8 para. 17\(2\)](#)[Sch. 9](#)
- s. 45A(3)(aa) inserted by [2006 c. 28 Sch. 8 para. 17\(2\)](#)
- s. 45A(4) modified by [S.I. 2004/865 art. 109\(2\)\(a\)](#)
- s. 45A(4)(a) substituted by [2006 c. 28 Sch. 8 para. 17\(3\)](#)
- s. 45A(11) modified by [S.I. 2004/865 art. 109\(2\)\(a\)](#)
- s. 45C inserted by [2006 c. 28 s. 41](#)
- s. 46-46C substituted for s. 46 by [1999 c. 8 s. 40\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 40 repealed by 2001 c. 15, ss. 67, 70(2), Sch. 6 Pt. 1 (with ss. 64(a), 65(4)), the repeal coming into force immediately before the coming into force of the National Health Service Act 2006 (c. 41) (as to which see s. 227 of that 2006 Act) by virtue of The National Health Service (Pre-consolidation Amendments) Order 2006 (S.I. 2006/1407), arts. 1(1), 2, Sch. 1 Pt. 2 para. 8(c))
- s. 54(1)(c) and word(s) inserted by [2003 c. 43 Sch. 11 para. 26\(2\)\(c\)](#)
- s. 54(1)(c) modified by [S.I. 2004/865 art. 109\(2\)\(a\)](#)
- s. 72(5)(d) and word(s) inserted by [2003 c. 43 Sch. 11 para. 27\(2\)](#)
- s. 72(5)(d) modified by [S.I. 2004/865 art. 109\(2\)\(a\)](#)
- s. 72(5)(d) words substituted by [2006 c. 28 Sch. 8 para. 21\(b\)\(i\)](#)
- s. 72(5)(d) words substituted by [2006 c. 28 Sch. 8 para. 21\(b\)\(ii\)](#)

- s. 77(4) inserted by [2003 c. 43 Sch. 11 para. 28](#)
- s. 78A inserted by [1997 c. 46 s. 26\(1\)](#) (This amendment not applied to [legislation.gov.uk](#). S. 26(1) repealed (1.3.2007) without ever being in force by National Health Service (Consequential Provisions) Act 2006 (c. 43), s. 8(2), Sch. 4 (with Sch. 2 Pt. 1 Sch. 3 Pt. 1))
- s. 79(5)(b) modified by [2003 c. 43 s. 183\(4\)](#)
- s. 96(4) added by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 27](#)
- s. 96A(12) inserted by [2003 c. 43 Sch. 4 para. 37](#)
- s. 98(1A)-(1C) inserted by [S.I. 2003/1324 Sch. 2 para. 1\(2\)](#)
- s. 98(1A) substituted by [S.I. 2004/1714 Sch. 2 para. 1\(2\)](#)
- s. 98(1A)(e) inserted by [S.I. 2006/960 Sch. 2 para. 1\(2\)](#)
- s. 98(1C) words inserted by [S.I. 2004/1714 Sch. 2 para. 1\(4\)](#)
- s. 98(1C) words substituted by [S.I. 2006/960 Sch. 2 para. 1\(4\)](#)
- s. 98(1D) inserted by [2004 c. 23 Sch. 2 para. 2](#)
- s. 98(1BA)(1BB) inserted by [S.I. 2004/1714 Sch. 2 para. 1\(3\)](#)
- s. 98(1BC) inserted by [S.I. 2006/960 Sch. 2 para. 1\(3\)](#)
- s. 98(4A) inserted by [S.I. 2003/1324 Sch. 2 para. 1\(4\)](#)
- s. 98(7)-(10) inserted by [S.I. 2005/1074 art. 2\(2\)](#)
- s. 103(4)(5) inserted by [2001 c. 15 Sch. 5 para. 5\(12\)\(c\)](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 5 para. 5(12)(c) repealed (1.3.2007) without ever being in force by 2006 c. 43, s. 8(2), Sch. 4 (with Sch. 2 Pt. 1, Sch. 3 Pt. 1))
- s. 124A(3)(aa) inserted by [2002 c. 38 Sch. 3 para. 20](#)
- s. 126(1A) inserted by [2003 c. 43 s. 183\(3\)\(b\)](#)
- s. 126(4A) inserted by [2001 c. 15 Sch. 5 para. 5\(13\)\(c\)](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 5 para. 5(13)(c) repealed (1.3.2007) without ever being in force by 2006 c. 43, s. 8(2), Sch. 4 (with Sch. 2 Pt. 1, Sch. 3 Pt. 1))
- s. 126(4A) inserted by [2003 c. 4 s. 1\(2\)](#)
- Sch. 5 para. 12B inserted by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 39\(c\)](#)
- Sch. 5 para. 10(2A)-(2C) substituted for Sch. 5 para. 10(2A) by [S.I. 2005/2011 Sch. 6 para. 1\(4\)](#) (This amendment comes into force on a day to be specified in the London, Edinburgh and Belfast Gazettes (see, for example, the London Gazette, issue nos. 57734, 57975, 58050 and 58769, dated respectively 19.8.2005, 5.6.2006, 21.7.2006 and 18.7.2008))
- Sch. 5A para. 20(1A) inserted by [2006 c. 28 s. 74\(3\)](#)
- Sch. 5B para. 19(1A) inserted by [2006 c. 28 s. 74\(4\)](#)
- Sch. 7A inserted by [2003 c. 4 s. 1\(3\)Sch. 1](#)
- Sch. 7A para. 3(1)(fa) inserted by [2003 c. 43 Sch. 11 para. 40\(2\)\(a\)](#)
- Sch. 7A para. 3(1)(g) words repealed by [2003 c. 43 Sch. 11 para. 40\(2\)\(b\)Sch. 14 Pt. 4](#)
- Sch. 7A para. 3(2) words substituted by [2003 c. 43 Sch. 11 para. 40\(3\)](#)
- Sch. 9A para. 10(a)(aa) substituted for s. Sch. 9A para. 10(a) by [2003 c. 43 Sch. 11 para. 42\(4\)\(b\)](#)
- Sch. 9A para. 6(d)(i)(ii) substituted for words in para. 6(d) by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 40\(b\)](#)
- Sch. 11 para. 5A inserted by [S.I. 2004/3363 art. 7](#)
- Sch. 12 para. 2A(6) added by [S.I. 2006/1407 Sch. 1 Pt. 1 para. 42\(g\)](#)
- Sch. 12 para. 2B amendment to earlier affecting provision 2006 c. 28, s. 41(3) by [S.I. 2006/1407 Sch. 1 Pt. 2 para. 15](#) (The earlier affecting provision cited is incorrect. The correct provision should be s. 42(3).)
- Sch. 12 para. 2B inserted by [2006 c. 28 s. 42\(3\)](#)
- Sch. 12 para. 2A(1)(b)(ba) substituted for Sch. 12 para. 2A(1)(b) by [2006 c. 28 s. 42\(2\)\(a\)](#)
- Sch. 12A para. 7(4) inserted by [2001 c. 15 Sch. 5 para. 5\(17\)\(c\)](#)
- Sch. 12B inserted by [2006 c. 28 s. 56\(2\)Sch. 3](#)
- Sch. 12ZA inserted by [2003 c. 43 s. 183\(2\)](#)

Commencement Orders yet to be applied to the National Health Service Act 1977

Commencement Orders bringing legislation that affects this Act into force:

- S.I. 2003/53 art. 2-4 commences (2001 c. 15)
- S.I. 2003/713 art. 2 commences (2001 c. 15)
- S.I. 2003/833 art. 23 commences (2002 c. 17)
- S.I. 2003/2245 art. 2 commences (2001 c. 15)
- S.I. 2003/2246 art. 2 commences (2002 c. 17)
- S.I. 2003/2660 art. 2-4 commences (2003 c. 4)
- S.I. 2003/3064 art. 2 commences (2003 c. 4)
- S.I. 2003/3083 art. 2 commences (2002 c. 17)
- S.I. 2003/3346 art. 2-5 commences (2003 c. 43)
- S.I. 2004/103 art. 2-4 commences (2001 c. 15)
- S.I. 2004/287 art. 23 commences (1997 c. 46)
- S.I. 2004/288 art. 2-6 commences (2003 c. 43)
- S.I. 2004/289 art. 2 commences (1998 c. 8)
- S.I. 2004/480 art. 2-5 commences (2003 c. 43)
- S.I. 2004/759 art. 2-13 commences (2003 c. 43)
- S.I. 2004/874 art. 2 commences (2003 c. 42)
- S.I. 2004/1009 art. 2 commences (2003 c. 43)
- S.I. 2004/1019 art. 2 commences (2003 c. 43)
- S.I. 2004/1859 art. 2-6 commences (1999 c. 8)
- S.I. 2004/2626 art. 2 commences (2003 c. 43)
- S.I. 2005/457 art. 2 commences (2003 c. 43)
- S.I. 2005/558 art. 2Sch. 1 commences (2004 c. 23)
- S.I. 2005/1432 art. 2 commences (2005 c. 12)
- S.I. 2005/2213 art. 23 commences (2002 c. 38)
- S.I. 2005/2800 art. 3-5 commences (2005 c. 10)
- S.I. 2005/2897 art. 2 commences (2002 c. 38)
- S.I. 2005/2925 art. 24-11 commences (2003 c. 43)
- S.I. 2005/2926 art. 23 commences (1997 c. 46)
- S.I. 2006/345 art. 2-7 commences (2003 c. 43)
- S.I. 2006/481 art. 23 commences (2001 c. 15)
- S.I. 2006/1014 art. 2Sch. 12 commences (2005 c. 4)
- S.I. 2006/1407 Sch. 1 Pt. 2 para. 3681213 commences (1997 c. 46)
- S.I. 2006/2603 art. 2-5 commences (2006 c. 28)
- S.I. 2006/3125 art. 2-4 commences (2006 c. 28)
- S.I. 2007/204 art. 2-4 commences (2006 c. 28)
- S.I. 2008/1972 art. 2 commences (2006 c. 28)