



National Health Service (Private Finance) Act 1997

1997 CHAPTER 56

An Act to make provision about the powers of National Health Service trusts to enter into agreements. [15th July 1997]

Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Annotations:

Modifications etc. (not altering text)

C1 Act: transfer of functions (1.7.1999) by 1999/672, art. 2 Sch. 1

1 Powers of NHS trusts to enter into agreements.

- (1) The powers of a National Health Service trust include power to enter into externally financed development agreements.
- (2) For the purposes of this section, an agreement is an externally financed development agreement if it is certified as such in writing by the Secretary of State.
- (3) The Secretary of State may give a certificate under this section if—
 - (a) in his opinion the purpose or main purpose of the agreement is the provision of facilities in connection with the discharge by the trust of any of its functions; and
 - (b) a person proposes to make a loan to, or provide any other form of finance for, another party in connection with the agreement.
- (4) If a National Health Service trust enters into an externally financed development agreement it may also, in connection with that agreement, enter into an agreement

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with a person who falls within subsection (3)(b) in relation to the externally financed development agreement.

- (5) In subsection (3)—
- “another party” means any party to the agreement other than the trust; and
 - “facilities” includes—
 - (a) works, buildings, plant, equipment or other property; and
 - (b) services.
- (6) The fact that an agreement made by a National Health Service trust has not been certified under this section does not affect its validity.

Annotations:

Modifications etc. (not altering text)

- C2** S. 1 extended (4.1.2000) by 1999 c. 8, s. 65, **Sch. 4 para. 89**; S.I. 1999/2343, art. 2(3), **Sch. 2**
S. 1 applied (10.10.2002 for W. and otherwise *prosp.*) by 2002 c. 17, **ss. 6(4), 42(3)**; S.I. 2002/2532, art. 2, **Sch.**

2 Provision for Northern Ireland.

An Order in Council under paragraph 1(1)(b) of Schedule 1 to the ^{M1}Northern Ireland Act 1974 (legislation for Northern Ireland in the interim period) which contains a statement that it is made only for purposes corresponding to those of section 1—

- (a) shall not be subject to paragraph 1(4) and (5) of that Schedule (affirmative resolution of both Houses of Parliament); but
- (b) shall be subject to annulment in pursuance of a resolution of either House of Parliament.

Annotations:

Marginal Citations

- M1** 1974 c. 28.

3 Short title and extent.

- (1) This Act may be cited as the National Health Service (Private Finance) Act 1997.
- (2) Section 2 extends to Northern Ireland but section 1 does not.

Changes to legislation:

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Changes and effects yet to be applied to :

- s. 1 repealed by [2006 c. 43 Sch. 4](#)
- s. 1(1) text amended by [2004 asp 7 Sch. 1 para. 2\(a\)](#)
- s. 1(3)(a) text amended by [2004 asp 7 Sch. 1 para. 2\(b\)](#)
- s. 1(4) text amended by [2004 asp 7 Sch. 1 para. 2\(c\)](#)
- s. 1(5) text amended by [2004 asp 7 Sch. 1 para. 2\(b\)](#)
- s. 1(6) text amended by [2004 asp 7 Sch. 1 para. 2\(c\)](#)

Commencement Orders yet to be applied to the National Health Service (Private Finance) Act 1997:

Commencement Orders bringing legislation that affects this Act into force:

- [S.S.I. 2004/335 art. 2](#) commences ([2004 asp 7](#))