

HEALTH ACT 1999

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part I - the National Health Service

Sections 29 and 30 - Payments from NHS bodies to local authorities and from local authorities to NHS bodies

225. Section 28A of the 1977 Act gives Health Authorities powers to transfer money to local authorities for social services functions, and for education, housing and accommodation for disabled people. Directions under section 28A(5) provide that such payments may only be made where better value would be achieved than by equivalent expenditure within the NHS.
226. This power was originally introduced to assist with the provision of replacement services in the community as NHS long-stay hospitals closed. It also encourages alternative and more appropriate models of care for people who might otherwise have to rely on the health service. The emphasis thus far has been on social care and related services.
227. The new provisions are intended to promote partnership between the NHS and local authorities with the aim of improving the health of the community. The measures also aim to ensure that health and local authorities are able to make the most flexible use of the resources they have available to them.
228. *Section 29* amends the current Section 28A provisions by extending the ability of health authorities to make payments to a local authority beyond social services functions (and certain other functions) to allow payments to be made in respect of any local authority function that is health-related. It also allows Primary Care Trusts to make similar payments to local authorities.
229. *Section 30* introduces a new reciprocal power for local authorities to make payments to Health Authorities or Primary Care Trusts. It gives the Secretary of State powers to set conditions as to local authority payments to these health bodies and to set conditions for repayment of the money. It is intended that the conditions will provide that payments may only be made if doing so will improve the health of the people in the local authority's area. The Secretary of State already has such powers in respect of payments from Health Authorities to local authorities.