

1969 No. 1581

NATIONAL HEALTH SERVICE, ENGLAND AND WALES

**The National Health Service (Executive Councils and Dental
Estimates Board) Financial Regulations 1969**

Made - - - - - 7th November 1969

Laid before Parliament 19th November 1969

Coming into Operation 1st December 1969

The Secretary of State for Social Services, in exercise of his powers under sections 40(2), 54 and 55 of the National Health Service Act 1946(a), sections 28 and 29 of, and paragraph 6 of Schedule 1 to, the Health Services and Public Health Act 1968(b), and of all other powers enabling him in that behalf and with the approval of the Treasury, hereby makes the following regulations:—

PART I

GENERAL

Citation, commencement and interpretation

1. These regulations may be cited as the National Health Service (Executive Councils and Dental Estimates Board) Financial Regulations 1969 and shall come into operation on 1st December 1969.

2.—(1) In these regulations, unless the context otherwise requires—

“the Act” means the National Health Service Act 1946;

“the Act of 1968” means the Health Services and Public Health Act 1968;

“auditor” means an auditor appointed by the Secretary of State under section 55(2) of the Act;

“Council” means the Executive Council constituted for any area;

“finance committee” means the finance committee appointed under regulation 15 of the National Health Service (Executive Councils) Regulations 1969(c);

“financial officer” means the clerk or other officer appointed by the Council under regulation 4 of these regulations;

“financial year” means the period of twelve months ending on 31st March.

(2) The Interpretation Act 1889(d) applies to the interpretation of these regulations as it applies to the interpretation of an Act of Parliament.

(a) 1946 c. 81.

(b) 1968 c. 46.

(c) S.I. 1969/352 (1969 I, p. 980).

(d) 1889 c. 63.

PART II

EXECUTIVE COUNCILS

Finance committee

3. The functions of the finance committee of a Council shall include—
- (a) advising the Council on the financial aspects of all matters within the scope of the functions of the Council;
 - (b) ensuring that proper financial control is maintained in all matters for which the Council are responsible;
 - (c) issuing Standing Financial Instructions;
 - (d) ensuring the proper maintenance of such financial records as the Secretary of State may specify;
 - (e) submitting to the Council financial estimates specified by the Council or by the Secretary of State.

Duties of the financial officer

4. The Council shall appoint the clerk, or another of their officers approved by the Secretary of State, as financial officer, whose duties shall include—
- (a) the giving of information and advice on financial matters to the Council or any of their committees;
 - (b) the continuous oversight of the arrangements for financial control;
 - (c) the preparation and completion of all financial estimates and returns specified by the Council, or by the Secretary of State;
 - (d) the maintenance of a system of balancing double entry ledger accounts for recording the receipts and payments of the Council, stores records, and such other records as the Secretary of State may specify;
 - (e) the proper collection of all moneys due to, the safe custody and the prompt payment into the bank of all moneys received by, and the prompt disbursement of all payments authorised by, the Council.

Annual and supplementary estimates

5.—(1) The Council shall submit to the Secretary of State in such form and under such heads of account and by such date in each financial year as he may specify an estimate (hereinafter referred to as the “annual estimate”) of the receipts and payments of the Council during the succeeding financial year and a revised estimate of receipts and payments during the current financial year.

(2) If at any time it appears to the Council that there will be receipts or payments under any head of account in respect of which the Secretary of State has required the submission of an annual estimate, and provision for such receipts or payments has not been included in the Council’s annual estimate, the Council shall prepare and submit to the Secretary of State as soon as may be an estimate of such additional receipts or payments (hereinafter referred to as a “supplementary estimate”), unless the Secretary of State has notified the Council that because of the nature of the additional receipts or payments it is not necessary to submit such a supplementary estimate.

(3) No expenditure under any head of account which has been specified under paragraph (1) above shall be incurred by or on behalf of the Council unless provision for such expenditure has been included in an annual estimate, or in a supplementary estimate, or the Secretary of State has notified the Council that it is not necessary to submit a supplementary estimate in respect of that expenditure.

Advances of funds by the Secretary of State

6. The Council shall furnish to the Secretary of State such periodic estimates of sums required for the purpose of discharging their functions under the Act and the Act of 1968 and such additional information in connection therewith as he may specify, and the Secretary of State shall advance to the Council at such times, and in such manner as the Treasury under section 54(6) of the Act may direct, such amounts as appear to him to be necessary to meet payments which will fall due.

Authorisation of payments

7. No payments shall be made by or on behalf of the Council unless authorised in such manner as the Secretary of State may, by direction given under section 29(2) of the Act of 1968, require.

Auditors

8. An auditor shall have the right of access at all reasonable times to the relevant books, accounts, vouchers and other documents of the Council and their officers. He may by writing under his hand require the production before him of such books and documents, and shall be entitled to require from any member or officer, or former member or officer, of the Council such information relating to the affairs of the Council as he may consider necessary for the purpose of his duty under section 55(2) of the Act, as amended by section 28 of the Act of 1968.

Annual accounts

9.—(1) After the close of a financial year the financial officer shall prepare annual accounts in such form as the Secretary of State, with the approval of the Treasury, may from time to time direct under section 55(3) of the Act, as amended by section 28(3) of the Act of 1968. After certifying them as correct, the financial officer shall submit them to the Council for approval, and the Council shall submit them to the Secretary of State by such date as he may specify.

(2) The annual accounts shall be audited by an auditor who shall certify the accounts, with or without reservation, and shall transmit the audited accounts with his report thereon to the Secretary of State.

Losses and claims

10. Where a Council suffer a loss of public cash or property or where a claim which may result in the payment of damages or compensation is made against the Council, the Council shall follow such procedure, maintain such records and make such returns as the Secretary of State may specify.

PART III**DENTAL ESTIMATES BOARD**

11. The provisions of Part II of these regulations shall apply to the Dental Estimates Board in the same way as they apply to Executive Councils with the following modifications:—

- (1) The word "Board" shall be substituted for the word "Council".
- (2) References to the finance committee of a Council shall be references to the Board but regulation 3(a) and (e) shall not apply.

PART IV

REVOCATION

12. The National Health Service (Executive Councils and Dental Estimates Board) Financial Regulations 1948(a) are hereby revoked, but this revocation shall not affect any approval subsisting at the date on which these regulations come into operation.

R. H. S. Crossman,

Secretary of State for Social Services.

6th November 1969.

We approve these regulations.

E. G. Perry,

Walter Harrison,

Two of the Lords Commissioners of
Her Majesty's Treasury.

7th November 1969.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations (which supersede the National Health Service (Executive Councils and Dental Estimates Board) Financial Regulations 1948) govern the internal financial arrangements and systems of financial control of Executive Councils and make provision for the audit of their accounts.

The principal matters dealt with in the regulations include—

- (a) the functions of the finance committee of an Executive Council (regulation 3) and the duties of the financial officer (regulation 4);
- (b) the submission of financial estimates by Councils (regulation 5);
- (c) the advancing of funds to Councils to meet expenditure incurred for the purpose of discharging their functions (regulation 6);
- (d) the prohibition of payments by Councils unless authorised in such manner as required by a direction under section 29(2) of the Health Services and Public Health Act 1968 (regulation 7);
- (e) the rights of auditors of access to, and production of, relevant documents (regulation 8);
- (f) annual accounts (regulation 9);
- (g) losses and claims (regulation 10).

The regulations are applied, with minor modifications, to the Dental Estimates Board constituted under section 40(2) of the National Health Service Act 1946.

(a) S.I. 1948/1239 (Rev. XV, p. 716; 1948 II, p. 2076).