
STATUTORY INSTRUMENTS

1991 No. 582

The National Health Service (Fund-holding Practices) (General) Regulations 1991

PART III

Renunciation of Recognition

Renunciation of recognition

7. The circumstances in which the members of a fund-holding practice may renounce recognition are that a majority of the members of the practice have sent to the relevant Regional Health Authority notice of their intention to renounce recognition in accordance with regulation 8.

Procedure for renunciation of recognition

8. The notice referred to in regulation 7 shall—
- (a) be in writing;
 - (b) be signed by a majority of the members of the fund-holding practice;
 - (c) be sent at least one month before the 31st March following the sending of the notice;
 - (d) be expressed to expire on 31st March; and
 - (e) be accompanied by a statement including information relating to—
 - (i) the NHS contracts into which the members of the practice have entered;
 - (ii) the amount standing in the fund-holding account;
 - (iii) the amount standing in the fund-holding account which may be applied for the purposes specified in regulation 20 (savings from the allotted sum) and;
 - (iv) the liabilities of the members of the fund-holding practice.

Consequences of renunciation of recognition

9.—(1) Subject to paragraphs (2) and (4), the consequences of renunciation are that the members of a fund-holding practice cease, as from the 31st March specified in the notice referred to in regulation 8, to be recognised as a fund-holding practice.

(2) Notwithstanding a renunciation of recognition and subject to paragraph (5), a former fund-holding practice shall continue to fulfil the conditions specified in regulation 4(2)(d), (e), (f), (g), (h) and (l) until the relevant Regional Health Authority is satisfied that all the liabilities of the former fund-holding practice have been discharged.

(3) When the relevant Regional Health Authority is satisfied that all liabilities of the fund-holding practice have been discharged it shall send a notice to that effect to each member of the former fund-holding practice.

(4) If, after a notice under the preceding paragraph has been sent, part of the allotted sum remains in the fund-holding account, the former fund-holding practice shall—

- (a) continue to maintain the fund-holding account until no amount remains standing in that account;
- (b) apply that sum only for the purposes specified in regulation 20 (savings from the allotted sum); and
- (c) each month send to the relevant Regional Health Authority a statement specifying any withdrawal from the fund-holding account.

(5) If, at any time after the renunciation of recognition has taken effect, the relevant Regional Health Authority is satisfied that—

- (a) no part of the allotted sum remains in the fund-holding account; and
- (b) the liabilities of the former fund-holding practice have not been discharged

all the rights and liabilities of the former fund-holding practice shall, upon notice being sent to that effect to each member of the former fund-holding practice, transfer to the relevant Regional Health Authority.