
STATUTORY INSTRUMENTS

2006 No. 552

**The National Health Service (Local
Pharmaceutical Services etc.) Regulations 2006**

PART 3

CONTRACTORS

Health service body status

10.—(1) A contractor shall be treated as a health service body for the purposes of section 4 of the 1990 Act from the date it makes an LPS scheme unless, prior to making the scheme, it objected in a written notice served on the Primary Care Trust with which it subsequently made the scheme.

(2) Where a contractor is to be treated as a health service body for the purposes of section 4 of the 1990 Act pursuant to paragraph (1), any change in the parties comprising the contractor shall not affect the health service body status of the contractor.

(3) If, pursuant to paragraph (1) or (4), a contractor is to be treated as a health service body, that fact shall not affect the nature of, or any rights or liabilities arising under, any other scheme or contract with a health service body entered into by that contractor before the date on which the contractor is to be so regarded.

(4) A contractor may at any time request a variation of the LPS scheme to include or remove provision from the scheme that the scheme is an NHS contract, and if it does so—

- (a) the Primary Care Trust must agree to the variation; and
- (b) the procedure in paragraph 26 of Schedule 2 shall apply.

(5) Where, pursuant to paragraph (4), the Primary Care Trust agrees to a variation of the scheme, the contractor shall—

- (a) be treated; or
- (b) subject to paragraph (7), cease to be treated,

as a health service body for the purposes of section 4 of the 1990 Act from the date that variation takes effect.

(6) Subject to paragraph (7), a contractor that is to be treated as a health service body pursuant to paragraphs (1) or (4), as the case may be, shall cease to be treated as a health service body for the purposes of section 4 of the 1990 Act if the scheme is terminated.

(7) Where a contractor ceases to be treated as a health service body pursuant to—

- (a) paragraph (5) or (6), it shall continue to be treated as a health service body for the purposes of being a party to any other NHS contract entered into after it was treated as a health service body but before the date on which the contractor ceased to be treated as a health service body (for which purposes it ceases to be such a body on the termination of that NHS contract);
- (b) paragraph (5), it shall, if it or the Primary Care Trust has referred any matter to the NHS dispute resolution procedure before it ceases to be treated as a health service body, be

bound by the determination of the adjudicator as if the dispute had been referred pursuant to paragraph 22 of Schedule 2; or

- (c) paragraph (6), it must continue to be treated as a health service body for the purposes of the NHS dispute resolution procedure where that procedure has been commenced—
 - (i) before the termination of the scheme, or
 - (ii) after the termination of the scheme, whether in connection with, or arising out of, the termination of the scheme or otherwise,for which purposes it ceases to be such a body on the conclusion of that procedure.