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## SCHEDULES

### [<sup>F1</sup>SCHEDULE 7B

#### FINANCIAL PROVISIONS RELATING TO NHS TRUSTS

##### Textual Amendments

- F1** Schs. 7A, 7B inserted by National Health Service and Community Care Act 1990 (c. 19, SIF 113:2), s. 32, **Sch. 6**

##### *Borrowing*

- 1 (1) Subject to [<sup>F2</sup>any direction given by the Secretary of State, to]]the provisions of this paragraph and to any limit imposed under the following provisions of this Schedule, for the purpose of its functions an NHS trust may borrow (both temporarily, by way of overdraft, and longer term) from the Secretary of State or from any other person.
- (2) An NHS trust may not grant any security over any of its assets or in any other way use any of its assets as security for a loan.
- <sup>F3</sup>(3) .....
- <sup>F3</sup>(4) .....
- <sup>F3</sup>(5) .....
- [<sup>F4</sup>(6) It shall be for the Secretary of State, with the consent of the Treasury, to determine the terms of any loan made by him to an NHS trust (including terms as to the payment of interest, if any).]

##### Textual Amendments

- F2** Words in **Sch. 7B para. 1(1)** inserted (1.10.1999) by 1999 c. 8, **s. 55(2)**; S.S.I. 1999/90, art. 2(a), **Sch. 1**
- F3** **Sch. 7B para. 1(3)–(5)** repealed (1.10.1999) by 1999 c. 8, ss. 55(3), 65(2), **Sch. 5**; S.S.I. 1999/90, art. 2(a)(c), **Sch. 1, Sch. 2**
- F4** **Sch. 7B para. 1(6)** substituted (1.10.1999) by 1999 c. 8, **s. 55(4)**; S.S.I. 1999/90, **art. 2(a)**

##### *Guarantees of borrowing*

- 2 (1) The Secretary of State may guarantee, in such manner and on such conditions as, with the approval of the Treasury, he considers appropriate, the repayments of the principal of and the payment of interest on any sums which an NHS trust borrows from a person other than the Secretary of State.
- (2) Immediately after a guarantee is given under this paragraph, the Secretary of State shall lay a statement of the guarantee before each House of Parliament.

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- (3) Where any sum is issued for fulfilling a guarantee so given, the Secretary of State shall lay before each House of Parliament a statement relating to that sum as soon as possible after the end of each financial year beginning with that in which the sum is issued and ending with that in which all liability in respect of the principal of the sum and in respect of interest on it is finally discharged.
- (4) If any sums are issued in fulfilment of a guarantee given under this paragraph, the NHS trust concerned shall make to the Secretary of State, at such times and in such manner as the Secretary of State may from time to time direct,—
- (a) payments of such amounts as the Secretary of State with the consent of the Treasury so directs in or towards repayment of the sums so issued; and
  - (b) payments of interest, at such rates as the Secretary of State with the consent of the Treasury so directs, on what is outstanding for the time being in respect of sums so issued.

### *<sup>F5</sup>Surplus funds*

#### **Textual Amendments**

**F5** Cross-heading and Sch. 7B paras. 2A, 2B inserted (1.4.2000) by 2000 asp 1, s. 8, **Sch. 1 para. 2(1)**; S.S.I. 2000/10, **art. 2(3)**

<sup>F6</sup>2A In any financial year the net aggregate amount of sums borrowed by NHS trusts shall not exceed the amount specified for that year for the purposes of this paragraph in a Budget Act.

#### **Textual Amendments**

**F6** Sch. 7B paras. 2A, 2B and cross-heading inserted (1.4.2000) by 2000 asp 1, s. 8, **Sch. 1 para. 2(1)**; S.S.I. 2000/10, **art. 2(3)**

<sup>F7</sup>2B In paragraph 2A above, “net aggregate amount” means the aggregate amount of sums borrowed in the financial year less any repayments made during that year (otherwise than by way of interest) in respect of sums borrowed in that or any other year.]

#### **Textual Amendments**

**F7** Sch. 7B paras. 2A, 2B and cross heading inserted (1.4.2000) by 2000 asp 1, s. 8, **Sch. 1 para. 2(1)**; S.S.I. 2000/10, **art. 2(3)**

### *Limits on indebtedness*

<sup>F8</sup>3 .....

#### **Textual Amendments**

**F8** Sch. 7B paras. 3-4 repealed (1.4.2000) by 2000 asp 1, s. 8, **Sch. 1 para. 2(2)**; S.S.I. 2000/10, **art. 2(3)**

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<sup>F9</sup>4 .....

**Textual Amendments**

**F9** Sch. 7B paras. 3-4 repealed (1.4.2000) by 2000 asp 1, s. 8, **Sch. 1 para. 2(2)**; S.S.I. 2000/10, **art. 2(3)**

*Additional public dividend capital*

5 (1) If the Secretary of State, with the consent of the Treasury, considers it appropriate to do so, he may, instead of making a loan to an NHS trust under paragraph 1, pay an amount to the trust as public dividend capital.

<sup>F10</sup>(2) .....

**Textual Amendments**

**F10** Sch. 7B para. 5(2) repealed (1.10.1999) by 1999 c. 8, ss. 53(6), 65(2), **Sch. 5**; S.S.I. 1999/90, art. 2(a)(c), Sch. 1, **Sch. 2**

*Surplus funds*

6 If it appears to the Secretary of State that any [<sup>F11</sup>sum held by an NHS trust other than a sum held on trust under section 12G] is surplus to its foreseeable requirements, the trust shall, if the Secretary of State with the approval of the Treasury and after consultation with the trust so directs, pay [<sup>F11</sup>that sum] into the Consolidated Fund.

**Textual Amendments**

**F11** Words in Sch. 7B para. 6 substituted (1.10.1999) by 1999 c. 8, s. 65(1), **Sch. 4 para. 63(2)(a)(b)**; S.S.I. 1999/90, art. 2(a)(b), **Sch. 1**

*Investment*

[<sup>F127</sup> An NHS trust shall have power to invest money held by it in any investments, including investments which do not produce income, specified in directions made by the Secretary of State with the consent of the Treasury; but nothing in this paragraph applies in relation to money held on trust under section 12G.]

**Textual Amendments**

**F12** Sch. 7B para. 7 substituted (1.10.1999) by 1999 c. 8, s. 65(1), **Sch. 4 para. 63(3)**; S.S.I. 1999/90, art. 2(a)(b), **Sch. 1**

[<sup>F138</sup> Any direction with respect to—  
(a) the power conferred on an NHS trust by paragraph 1; or  
(b) the maximum amount which an NHS trust may invest in any investment or class of investment,  
may be given only with the consent of the Treasury.]

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#### **Textual Amendments**

**F13** Sch. 7B para. 8 inserted (1.10.1999) by 1999 c. 8, s. 65(1), **Sch. 4 para. 63(4)**; S.S.I. 1999/90, art. 2(a) (b), **Sch. 1**

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