



National Health Service Act 2006

2006 CHAPTER 41

PART 11

PROPERTY AND FINANCE

CHAPTER 6

FINANCE

f¹The Board

Textual Amendments

- F1** Ss. 223B-223F and cross-heading inserted (27.3.2012 for specified purposes, 1.10.2012 for specified purposes) by [Health and Social Care Act 2012 \(c. 7\)](#), [ss. 24, 306\(1\)\(d\)\(4\)](#); [S.I. 2012/1831](#), [art. 2\(2\)](#)

223B Funding of the Board

- (1) The Secretary of State must pay to the Board in respect of each financial year sums not exceeding the amount allotted for that year by the Secretary of State towards meeting the expenditure of the Board which is attributable to the performance by it of its functions in that year.
- (2) An amount is allotted to the Board for a financial year under this section when the Board is notified in writing by the Secretary of State that the amount is allotted to it for that year.
- (3) The Secretary of State may make a new allotment under this section increasing or reducing the allotment previously so made only if—
 - (a) the Board agrees to the change,
 - (b) a parliamentary general election takes place, or

Status: Point in time view as at 27/03/2012.

Changes to legislation: National Health Service Act 2006, Chapter 6 is up to date with all changes known to be in force on or before 22 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (c) the Secretary of State considers that there are exceptional circumstances that make a new allotment necessary.
- (4) The Secretary of State may give directions to the Board with respect to the payment of sums by it to the Secretary of State in respect of charges or other sums referable to the valuation or disposal of assets.
- (5) Sums falling to be paid to the Board under this section are payable subject to such conditions as to records, certificates or otherwise as the Secretary of State may determine.

223C Financial duties of the Board: expenditure

- (1) The Board must ensure that total health expenditure in respect of each financial year does not exceed the aggregate of—
 - (a) the amount allotted to the Board for that year under section 223B,
 - (b) any sums received by the Board or clinical commissioning groups in that year under any provision of this Act (other than sums received by the Board under section 223B or by clinical commissioning groups under section 223G), and
 - (c) any sums received by the Board or clinical commissioning groups in that year otherwise than under this Act for the purpose of enabling it or them to defray such expenditure.
- (2) In this section, “total health expenditure”, in relation to a financial year, means—
 - (a) expenditure which is attributable to the performance by the Board of its functions in that year, other than sums paid by it under section 223G, and
 - (b) expenditure which is attributable to the performance by clinical commissioning groups of their functions in that year.
- (3) The Secretary of State may by directions determine whether expenditure by the Board or a clinical commissioning group which is of a description specified in the directions must, or must not, be treated for the purposes of this section as part of total health expenditure.
- (4) The Secretary of State may by directions determine the extent to which, and the circumstances in which, sums received by the Board or a clinical commissioning group under section 223B or (as the case may be) 223G but not yet spent must be treated for the purposes of this section as part of total health expenditure, and to which financial year's expenditure they must be attributed.
- (5) The Secretary of State may by directions require the Board to use banking facilities specified in the directions for any purposes so specified.

223D Financial duties of the Board: controls on total resource use

- (1) In this Chapter—
 - “total capital resource use”, in relation to a financial year, means the use of capital resources in that year by the Board and clinical commissioning groups (taken together);
 - “total revenue resource use”, in relation to a financial year, means the use of revenue resources in that year by the Board and clinical commissioning groups (taken together).

Status: Point in time view as at 27/03/2012.

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- (2) The Board must ensure that total capital resource use in a financial year does not exceed the amount specified by the Secretary of State.
- (3) The Board must ensure that total revenue resource use in a financial year does not exceed the amount specified by the Secretary of State.
- (4) The Secretary of State may give directions, in relation to a financial year, specifying descriptions of resources which must, or must not, be treated as capital resources or revenue resources for the purposes of this Chapter.
- (5) The Secretary of State may give directions, in relation to a financial year, specifying uses of capital resources or revenue resources which must not be taken into account for the purposes of this Chapter.
- (6) The Secretary of State may give directions, in relation to a financial year, specifying uses of capital resources or revenue resources which must be taken into account for the purposes of this section.
- (7) The amount specified for the purposes of subsection (2) or (3) may be varied only if—
 - (a) the Board agrees to the change,
 - (b) a parliamentary general election takes place, or
 - (c) the Secretary of State considers that there are exceptional circumstances which make the variation necessary.
- (8) Any reference in this Chapter to the use of capital resources or revenue resources is a reference to their expenditure, consumption or reduction in value.

223E Financial duties of the Board: additional controls on resource use

- (1) The Secretary of State may direct the Board to ensure that total capital resource use in a financial year which is attributable to matters specified in the direction does not exceed an amount so specified.
- (2) The Secretary of State may direct the Board to ensure that total revenue resource use in a financial year which is attributable to matters specified in the direction does not exceed an amount so specified.
- (3) The Secretary of State may direct the Board to ensure —
 - (a) that total revenue resource use in a financial year which is attributable to such prescribed matters relating to administration as are specified in the direction does not exceed an amount so specified;
 - (b) that the Board's use of revenue resources in a financial year which is attributable to such prescribed matters relating to administration as are specified in the direction does not exceed an amount so specified.
- (4) The Secretary of State may give directions, in relation to a financial year, specifying uses of capital resources or revenue resources which must, or must not, be taken into account for the purposes of subsection (1) or (as the case may be) subsection (2) or (3).
- (5) The Secretary of State may not give a direction under subsection (1) or (2) unless the direction is for the purpose of complying with a limit imposed by the Treasury.

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223F Power to establish contingency fund

- (1) The Board may use a proportion of the sums paid to it under section 223B to establish a contingency fund.
- (2) The Board may make a payment out of the fund where the payment is necessary in order to enable—
 - (a) the Board to discharge any of its commissioning functions, or
 - (b) a clinical commissioning group to discharge any of its functions.
- (3) The Board must publish guidance as to how it proposes to exercise its powers to make payments out of the contingency fund.
- (4) In this section, “commissioning functions” means functions in arranging for the provision of services as part of the health service.]

[^{F2}Clinical commissioning groups

Textual Amendments

- F2** Ss. 223G-223K and cross-heading inserted (27.3.2012 for specified purposes, 1.10.2012 for specified purposes) by [Health and Social Care Act 2012 \(c. 7\)](#), **ss. 27, 306(1)(d)(4)**; S.I. 2012/1831, **art. 2(2)**

223G Means of meeting expenditure of clinical commissioning groups out of public funds

- (1) The Board must pay in respect of each financial year to each clinical commissioning group sums not exceeding the amount allotted for that year by the Board to the group towards meeting the expenditure of the group which is attributable to the performance by it of its functions in that year.
- (2) In determining the amount to be allotted to a clinical commissioning group for any year, the Board may take into account—
 - (a) the expenditure of the clinical commissioning group during any previous financial year, and
 - (b) the amount that it proposes to hold, during the year to which the allotment relates, in any contingency fund established under section 223F.
- (3) An amount is allotted to a clinical commissioning group for a year under this section when the group is notified in writing by the Board that the amount is allotted to it for that year.
- (4) The Board may make a new allotment under this section increasing or reducing an allotment previously so made.
- (5) Where the Board allots an amount to a clinical commissioning group or makes a new allotment under subsection (4), it must notify the Secretary of State.
- (6) The Board may give directions to a clinical commissioning group with respect to—
 - (a) the application of sums paid to it by virtue of a new allotment increasing an allotment previously so made, and
 - (b) the payment of sums by it to the Board in respect of charges or other sums referable to the valuation or disposal of assets.

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- (7) Sums falling to be paid to clinical commissioning groups under this section are payable subject to such conditions as to records, certificates or otherwise as the Board may determine.
- (8) In this section and sections 223H to 223K “financial year” includes the period which begins on the day the clinical commissioning group is established and ends on the following 31 March.

223H Financial duties of clinical commissioning groups: expenditure

- (1) Each clinical commissioning group must, in respect of each financial year, perform its functions so as to ensure that its expenditure which is attributable to the performance by it of its functions in that year does not exceed the aggregate of—
 - (a) the amount allotted to it for that year under section 223G,
 - (b) any sums received by it in that year under any provision of this Act (other than sums received by it under section 223G), and
 - (c) any sums received by it in that year otherwise than under this Act for the purpose of enabling it to defray such expenditure.
- (2) The Board may by directions determine—
 - (a) whether specified sums must, or must not, be treated for the purposes of this section as received by a specified clinical commissioning group,
 - (b) whether specified expenditure must, or must not, be treated for those purposes as expenditure within subsection (1) of a specified clinical commissioning group, or
 - (c) the extent to which, and the circumstances in which, sums received by a clinical commissioning group under section 223G but not yet spent must be treated for the purposes of this section as part of the expenditure of the group, and to which financial year's expenditure they must be attributed.
- (3) The Secretary of State may by directions require a clinical commissioning group to use specified banking facilities for any specified purposes.
- (4) In this section, “specified” means specified in the directions.

223I Financial duties of clinical commissioning groups: use of resources

- (1) For the purposes of this section and section 223J—
 - (a) a clinical commissioning group's capital resource use, in relation to a financial year, means the group's use of capital resources in that year, and
 - (b) a clinical commissioning group's revenue resource use, in relation to a financial year, means the group's use of revenue resources in that year.
- (2) A clinical commissioning group must ensure that its capital resource use in a financial year does not exceed the amount specified by direction of the Board.
- (3) A clinical commissioning group must ensure that its revenue resource use in a financial year does not exceed the amount specified by direction of the Board.
- (4) Any directions given in relation to a financial year under subsection (6) of section 223D apply (in relation to that year) for the purposes of this section as they apply for the purposes of that section.

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- (5) The Board may by directions make provision for determining to which clinical commissioning group a use of capital resources or revenue resources is to be attributed for the purposes of this section or section 223J.
- (6) Where the Board gives a direction under subsection (2) or (3), it must notify the Secretary of State.

223J Financial duties of clinical commissioning groups: additional controls on resource use

- (1) The Board may direct a clinical commissioning group to ensure that its capital resource use in a financial year which is attributable to matters specified in the direction does not exceed an amount so specified.
- (2) The Board may direct a clinical commissioning group to ensure that its revenue resource use in a financial year which is attributable to matters specified in the direction does not exceed an amount so specified.
- (3) The Board may direct a clinical commissioning group to ensure that its revenue resource use in a financial year which is attributable to prescribed matters relating to administration does not exceed an amount specified in the direction.
- (4) The Board may give directions, in relation to a financial year, specifying uses of capital resources or revenue resources which must, or must not, be taken into account for the purposes of subsection (1) or (as the case may be) subsection (2) or (3).
- (5) The Board may not exercise the power conferred by subsection (1) or (2) in relation to particular matters unless the Secretary of State has given a direction in relation to those matters under subsection (1) of section 223E or (as the case may be) subsection (2) of that section.
- (6) The Board may not exercise the power conferred by subsection (3) in relation to prescribed matters relating to administration unless the Secretary of State has given a direction in relation to those matters under subsection (3)(a) of section 223E.

223K Payments in respect of quality

- (1) The Board may, after the end of a financial year, make a payment to a clinical commissioning group.
- (2) For the purpose of determining whether to make a payment under subsection (1) and (if so) the amount of the payment, the Board must take into account at least one of the following factors—
 - (a) the quality of relevant services provided during the financial year;
 - (b) any improvement in the quality of relevant services provided during that year (in comparison to the quality of relevant services provided during previous financial years);
 - (c) the outcomes identified during the financial year as having been achieved from the provision at any time of relevant services;
 - (d) any improvement in the outcomes identified during that financial year as having been so achieved (in comparison to the outcomes identified during previous financial years as having been so achieved).

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- (3) For that purpose, the Board may also take into account either or both of the following factors—
 - (a) relevant inequalities identified during that year;
 - (b) any reduction in relevant inequalities identified during that year (in comparison to relevant inequalities identified during previous financial years).
- (4) Regulations may make provision as to the principles or other matters that the Board must or may take into account in assessing any factor mentioned in subsection (2) or (3).
- (5) Regulations may provide that, in prescribed circumstances, the Board may, if it considers it appropriate to do so—
 - (a) not make a payment that would otherwise be made to a clinical commissioning group under subsection (1), or
 - (b) reduce the amount of such a payment.
- (6) Regulations may make provision as to how payments under subsection (1) may be spent (which may include provision as to circumstances in which the whole or part of any such payments may be distributed to members of the clinical commissioning group).
- (7) A clinical commissioning group must publish an explanation of how the group has spent any payment made to it under subsection (1).
- (8) In this section—

“relevant services” means services provided in pursuance of arrangements made by the clinical commissioning group—

 - (a) under section 3 or 3A or Schedule 1, or
 - (b) by virtue of section 7A;

“relevant inequalities” means inequalities between the persons for whose benefit relevant services are at any time provided with respect to—

 - (a) their ability to access the services, or
 - (b) the outcomes achieved for them by their provision.]

Strategic Health Authorities and Special Health Authorities

224 Means of meeting expenditure of Strategic Health Authorities out of public funds

- (1) The Secretary of State must pay in respect of each financial year to each Strategic Health Authority sums not exceeding the amount allotted for that year by the Secretary of State to the Strategic Health Authority towards meeting the expenditure of the Strategic Health Authority which is attributable to the performance by it of its functions in that year.
- (2) Where the Secretary of State has made an initial determination of the amount (“the initial amount”) to be allotted for any year to a Strategic Health Authority under subsection (1), he may increase the initial amount by a further sum if it appears to him that over a period notified to the Strategic Health Authority—
 - (a) it satisfied any objectives notified to it as objectives to be met in performing its functions, or

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- (b) it performed well against any criteria notified to it as criteria relevant to the satisfactory performance of its functions (whether or not the method of measuring its performance against those criteria was also notified to it).
- (3) “Notified” means specified or referred to in a notice given to the Strategic Health Authority by the Secretary of State.
- (4) In making any increase under subsection (2), the Secretary of State may (whether by directions under subsection (9) or otherwise) impose any conditions he considers appropriate on the application or retention by the Strategic Health Authority of the sum in question.
- (5) Subsection (6) applies where—
 - (a) the Secretary of State has, under subsection (2), increased by any sum the amount to be allotted for any year to a Strategic Health Authority,
 - (b) the Secretary of State has notified the Strategic Health Authority of the allotment, and
 - (c) it subsequently appears to the Secretary of State that the Strategic Health Authority has failed (wholly or in part) to satisfy any conditions imposed in making that increase.
- (6) Where this subsection applies, the Secretary of State may reduce—
 - (a) the allotment made to that Strategic Health Authority for that year, or
 - (b) when he has made an initial determination of the amount (“the initial amount”) to be allotted for any subsequent year to the Strategic Health Authority under subsection (1), the initial amount,
 by an amount not exceeding the sum mentioned in subsection (5)(a).
- (7) An amount is allotted to a Strategic Health Authority for a year under this section when it is notified by the Secretary of State that the amount is allotted to it for that year.
- (8) The Secretary of State may, subject to subsection (6), make an allotment under this section increasing or reducing an allotment previously so made; and the reference to a determination in subsection (2) includes a determination made with a view to increasing or reducing an allotment previously so made.
- (9) The Secretary of State may give directions to a Strategic Health Authority with respect to—
 - (a) the application of sums paid to it under this section, or
 - (b) the payment of sums by it to the Secretary of State in respect of charges or other sums referable to the valuation or disposal of assets.
- (10) Sums falling to be paid to Strategic Health Authorities under this section are payable subject to such conditions as to records, certificates or otherwise as the Secretary of State may determine.

225 Means of meeting expenditure of Special Health Authorities out of public funds

- (1) The Secretary of State must pay in respect of each financial year to each Special Health Authority sums not exceeding the amount allotted for that year by the Secretary of State to the Special Health Authority towards meeting the expenditure of the Special Health Authority which is attributable to the performance by it of its functions in that year.

Status: Point in time view as at 27/03/2012.

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- (2) An amount is allotted to a Special Health Authority for a year under this section when it is notified by the Secretary of State that the amount is allotted to it for that year.
- (3) The Secretary of State may make an allotment under this section increasing or reducing an allotment previously so made.
- (4) The Secretary of State may give directions to a Special Health Authority with respect to—
 - (a) the application of sums paid to it under this section, or
 - (b) the payment of sums by it to the Secretary of State in respect of charges or other sums referable to the valuation or disposal of assets.
- (5) Sums falling to be paid to Special Health Authorities under this section are payable subject to such conditions as to records, certificates or otherwise as the Secretary of State may determine.

226 Financial duties of Strategic Health Authorities and Special Health Authorities

- (1) Each Strategic Health Authority must, in respect of each financial year, perform its functions so as to secure that its expenditure which is attributable to the performance by it of its functions in that year does not exceed the aggregate of—
 - (a) the amount allotted to it for that year under section 224(1),
 - (b) any sums received by it in that year under any provision of this Act (other than sums received by it under that subsection), and
 - (c) any sums received by it in that year otherwise than under this Act for the purpose of enabling it to defray any such expenditure.
- (2) Each Special Health Authority must, in respect of each financial year, perform its functions so as to secure that its expenditure which is attributable to the performance by it of its functions in that year does not exceed the aggregate of—
 - (a) the amount allotted to it for that year under section 225(1),
 - (b) any sums received by it in that year under any provision of this Act (other than sums received by it under that subsection), and
 - (c) any sums received by it in that year otherwise than under this Act for the purpose of enabling it to defray any such expenditure.
- (3) The Secretary of State may give such directions to a Strategic Health Authority or Special Health Authority as appear to be requisite to secure that the Authority complies with the duty under subsection (1) or (2).
- (4) To the extent to which—
 - (a) any expenditure is defrayed by a Strategic Health Authority or Special Health Authority as trustee or on behalf of a Strategic Health Authority or Special Health Authority by special trustees, or
 - (b) any sums are received by a Strategic Health Authority or Special Health Authority as trustee or under section 222,that expenditure and, subject to subsection (6), those sums, must be disregarded for the purposes of this section.
- (5) For the purposes of this section sums which, in the hands of a Strategic Health Authority or Special Health Authority, cease to be trust funds and become applicable

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by the Authority otherwise than as trustee must be treated, on their becoming so applicable, as having been received by the Authority otherwise than as trustee.

- (6) Of the sums received by a Strategic Health Authority or Special Health Authority under section 222, so much only as accrues to the Authority after defraying any expenses incurred in obtaining them must be disregarded under subsection (4).
- (7) Subject to subsection (4), the Secretary of State may by directions determine—
- (a) whether specified sums must, or must not, be treated for the purposes of this section as received under this Act by a specified Strategic Health Authority or specified Special Health Authority,
 - (b) whether specified expenditure must, or must not, be treated for those purposes as—
 - (i) expenditure within subsection (1) of a specified Strategic Health Authority, or
 - (ii) expenditure within subsection (2) of a specified Special Health Authority, or
 - (c) the extent to which, and the circumstances in which, sums received—
 - (i) by a Strategic Health Authority under section 224, or
 - (ii) by a Special Health Authority under section 225,
 but not yet spent must be treated for the purposes of this section as part of the expenditure of the Strategic Health Authority or Special Health Authority and to which financial year's expenditure they must be attributed.
- (8) “Specified” means of a description specified in the directions.

227 Resource limits for Strategic Health Authorities and Special Health Authorities

- (1) Each Strategic Health Authority and each Special Health Authority must ensure that the use of its resources in a financial year does not exceed the amount specified for it in relation to that year by the Secretary of State.
- (2) For the purpose of subsection (1) the Secretary of State may give directions—
- (a) specifying uses of resources which must, or must not, be taken into account,
 - (b) making provision for determining to which Strategic Health Authority or Special Health Authority certain uses of resources must be attributed,
 - (c) specifying descriptions of resources which must, or must not, be taken into account.
- (3) The Secretary of State may give such directions to a Strategic Health Authority or Special Health Authority as appear to be requisite to secure that the Authority complies with the duty under subsection (1).
- (4) Subsections (4) to (6) of section 226 apply in relation to the duty under subsection (1) of this section as they apply in relation to the duties under subsections (1) and (2) of that section; and for that purpose references to the defraying of expenditure and the receipt of sums are references to the incurring of liabilities and the acquisition of assets.
- (5) Where the Secretary of State has specified an amount under this section in respect of a financial year, he may vary the amount by a later specification.

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- (6) In this section a reference to the use of resources is a reference to their expenditure, consumption or reduction in value.

Primary Care Trusts

228 Public funding of Primary Care Trusts

[^{F3}(1) The Secretary of State must pay in respect of each financial year to each Primary Care Trust sums not exceeding the amount allotted for that year by the Secretary of State to the Primary Care Trust towards meeting the expenditure of the Primary Care Trust which is attributable to the performance by it of its functions in that year.]

^{F4}(2)

(3) Where the Secretary of State has made an initial determination of the amount (“the initial amount”) to be allotted for any year to a Primary Care Trust under subsection [^{F5}(1)], he may increase the initial amount by a further sum if it appears to him that over a period notified to the Primary Care Trust—

- (a) it satisfied any objectives notified to it as objectives to be met in performing its functions, or
- (b) it performed well against any criteria notified to it as criteria relevant to the satisfactory performance of its functions (whether or not the method of measuring its performance against those criteria was also notified to it).

(4) “Notified” means specified or referred to in a notice given to the Primary Care Trust by the Secretary of State.

(5) In making any increase under subsection (3), the Secretary of State may (whether by directions under subsection (10) or otherwise) impose any conditions he considers appropriate on the application or retention by the Primary Care Trust of the sum in question.

(6) Subsection (7) applies where—

- (a) the Secretary of State has, under subsection (3), increased by any sum the amount to be allotted for any year to a Primary Care Trust,
- (b) the Secretary of State has notified the Primary Care Trust of the allotment, and
- (c) it subsequently appears to the Secretary of State that the Primary Care Trust has failed (wholly or in part) to satisfy any conditions imposed in making that increase.

(7) Where this subsection applies, the Secretary of State may reduce—

- (a) the allotment made to the Primary Care Trust for that year, or
- (b) when he has made an initial determination of the amount (“the initial amount”) to be allotted for any subsequent year to the Primary Care Trust under subsection [^{F6}(1)], the initial amount,

by an amount not exceeding the sum mentioned in subsection (6)(a).

(8) An amount is allotted to a Primary Care Trust for a year under this section when the Primary Care Trust is notified by the Secretary of State that the amount is allotted to it for that year.

(9) The Secretary of State may make an allotment under this section increasing or reducing (subject to subsection (7)) an allotment previously so made; and the reference to

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a determination in subsection (3) includes a determination made with a view to increasing or reducing an allotment previously so made.

- (10) The Secretary of State may give directions to a Primary Care Trust with respect to—
- (a) the application of sums paid to it under this section, or
 - (b) the payment of sums by it to the Secretary of State in respect of charges or other sums referable to the valuation or disposal of assets.
- (11) Sums falling to be paid to Primary Care Trusts under this section are payable subject to such conditions as to records, certificates or otherwise as the Secretary of State may determine.

^{F7}(12)

Textual Amendments

- F3** S. 228(1) substituted (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), [Sch. 12 para. 2\(2\)](#); S.I. 2010/708, art. 2(c)
- F4** S. 228(2) repealed (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), [Sch. 12 para. 2\(3\)](#), [Sch. 15 Pt. 4](#); S.I. 2010/708, art. 2(c)(d)
- F5** Word in s. 228(3) substituted (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), [Sch. 12 para. 2\(4\)](#); S.I. 2010/708, art. 2(c)
- F6** Word in s. 228(7)(b) substituted (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), [Sch. 12 para. 2\(4\)](#); S.I. 2010/708, art. 2(c)
- F7** S. 228(12) repealed (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), [Sch. 12 para. 2\(5\)](#), [Sch. 15 Pt. 4](#); S.I. 2010/708, art. 2(c)(d)

229 Financial duties of Primary Care Trusts

- (1) Each Primary Care Trust must, in respect of each financial year, perform its functions so as to secure that its expenditure which is attributable to the performance by it of its functions in that year ^{F8}... does not exceed the aggregate of—
- (a) the amount allotted to it for that year under [^{F9}section 228(1)] ,
 - (b) any sums received by it in that year under any provision of this Act (other than sums received by it under that section), and
 - (c) any sums received by it in that year otherwise than under this Act for the purpose of enabling it to defray any such expenditure.
- (2) The Secretary of State may give such directions to a Primary Care Trust as appear to be requisite to secure that it complies with the duty under subsection (1).
- (3) To the extent to which—
- (a) any expenditure is defrayed by a Primary Care Trust as trustee or on behalf of a Primary Care Trust by special trustees, or
 - (b) any sums are received by a Primary Care Trust as trustee or under section 222, that expenditure and, subject to subsection (5) those sums, must be disregarded for the purposes of this section.
- (4) For the purposes of this section sums which, in the hands of a Primary Care Trust, cease to be trust funds and become applicable by the Primary Care Trust otherwise than as trustee must be treated, on their becoming so applicable, as having been received by the Primary Care Trust otherwise than as trustee.

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- (5) Of the sums received by a Primary Care Trust under section 222 so much only as accrues to the Primary Care Trust after defraying any expenses incurred in obtaining them must be disregarded under subsection (3).
- (6) Subject to subsection (3), the Secretary of State may by directions determine—
 - (a) whether specified sums must, or must not, be treated for the purposes of this section as received under this Act by a specified Primary Care Trust,
 - (b) whether specified expenditure must, or must not, be treated for those purposes as expenditure within subsection (1) of a specified Primary Care Trust, or
 - (c) the extent to which, and the circumstances in which, sums received by a Primary Care Trust under section 228 but not yet spent must be treated for the purposes of this section as part of the expenditure of the Primary Care Trust and to which financial year's expenditure they must be attributed.
- (7) “Specified” means of a description specified in the directions.

Textual Amendments

- F8** Words in s. 229(1) repealed (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), [Sch. 12 para. 3\(a\)](#), [Sch. 15 Pt. 4](#); S.I. 2010/708, art. 2(c)(d)
- F9** Words in s. 229(1)(a) substituted (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), [Sch. 12 para. 3\(b\)](#); S.I. 2010/708, art. 2(c)

230 Resource limits for Primary Care Trusts

- (1) Each Primary Care Trust must ensure that the use of its resources in a financial year does not exceed the amount specified for it in relation to that year by the Secretary of State.
- ^{F10}(2)
- ^{F11}(3)
- (4) For the purpose of subsection (1) the Secretary of State may give directions—
 - (a) specifying uses of resources which must, or must not, be taken into account,
 - (b) making provision for determining to which Primary Care Trust certain uses of resources must be attributed,
 - (c) specifying descriptions of resources which must, or must not, be taken into account.
- (5) Where the Secretary of State has specified an amount under this section in respect of a financial year, he may vary the amount by a later specification.
- (6) Subsections (3) to (5) of section 229 apply in relation to the duty under subsection (1) of this section as they apply in relation to the duty under subsection (1) of that section; and for that purpose references to the defraying of expenditure and the receipt of sums are references to the incurring of liabilities and the acquisition of assets.
- (7) The Secretary of State may give such directions to a Primary Care Trust as appear to be requisite to secure that it complies with the duty under subsection (1).
- (8) In this section a reference to the use of resources is a reference to their expenditure, consumption or reduction in value.

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Textual Amendments

- F10** S. 230(2) repealed (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), Sch. 12 para. 4, [Sch. 15 Pt. 4](#); S.I. 2010/708, art. 2(c)(d)
- F11** S. 230(3) repealed (1.4.2010) by [Health and Social Care Act 2008 \(c. 14\)](#), s. 170(3)(4), Sch. 12 para. 4, [Sch. 15 Pt. 4](#); S.I. 2010/708, art. 2(c)(d)

231 Further provision about the expenditure of Primary Care Trusts

Schedule 14 makes further provision about the expenditure of Primary Care Trusts.

Accounts and audit

232 Accounts and audit

Schedule 15 makes provision about the accounts of certain health service bodies and the auditing of such accounts.

Allowances and remuneration

233 Allowances for members of certain bodies

- (1) The Secretary of State may pay to members of any body specified by him in an order as a body formed for the purpose of performing a function connected with the provision of services under this Act, such travelling and other allowances, including compensation for loss of remunerative time, as he may determine.
- (2) Payments under this section are subject to such conditions as to records, certificates, or otherwise as the Secretary of State may determine.

234 Special arrangement as to payment of remuneration

- (1) Subsection (2) applies where the Secretary of State considers it appropriate for remuneration in respect of—
 - (a) primary medical services, primary dental services, primary ophthalmic services or pharmaceutical services, or
 - (b) services provided under a pilot scheme [^{F12}established under section 134(1) of this Act] or an LPS scheme,

to be paid by a particular body.
- (2) Where this subsection applies, and the functions of the body do not include the function of paying the remuneration, the Secretary of State may by order confer that function on that body.
- (3) Any sums required to enable a body to pay the remuneration must, if apart from this section there is no provision authorising the payment of the sums by the Secretary of State or out of money provided by Parliament, be paid by him.
- (4) If the Secretary of State by order so provides with respect to remuneration in respect of such pharmaceutical services or such local pharmaceutical services as may be specified in the order—

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- (a) an NHS trust or an NHS foundation trust determined in accordance with the order has the function of paying sums so determined to a Primary Care Trust so determined in respect of the whole or any part of that remuneration, and
- (b) subsection (3) does not apply with respect to the whole or that part of the remuneration.

Textual Amendments

F12 Words in s. 234(1)(b) inserted (19.1.2010) by [Health Act 2009 \(c. 21\)](#), s. 40(1), [Sch. 1 para. 7\(d\)](#); [S.I. 2010/30](#), art. 2(b)

235 Superannuation of officers of certain hospitals

- (1) The Secretary of State may enter into an agreement with the governing body of any hospital to which this section applies—
 - (a) for admitting officers of the hospital of such classes as may be provided in the agreement to participate, on such terms and conditions as may be so provided, in the superannuation benefits provided under regulations made under section 10 of the Superannuation Act 1972 (c. 11) in like manner as officers of NHS trusts, and
 - (b) those regulations apply accordingly in relation to the officers so admitted subject to such modifications as may be provided in the agreement.
- (2) The governing body of any hospital to which this section applies has such powers as may be necessary for the purpose of giving effect to any terms and conditions on which their officers are admitted to participate in those superannuation benefits.
- (3) This section applies to any hospital (not vested in the Secretary of State) which is used, in pursuance of arrangements made by the governing body of the hospital with the Secretary of State, for the provision of services under this Act or the National Health Service (Wales) Act 2006 (c. 42).
- (4) “Superannuation benefits” means annual superannuation allowances, gratuities and periodical payments payable on retirement, death or incapacity, and similar benefits.

236 Payments for certain medical examinations

- (1) Where a medical practitioner carries out a medical examination of any person with a view to an application for his admission to hospital for assessment or treatment being made under Part 2 of the Mental Health Act 1983 (c. 20) [^{F13}the Secretary of State][^{F13}the prescribed clinical commissioning group] must pay to that medical practitioner—
 - (a) reasonable remuneration in respect of that examination and in respect of any recommendation or report made by him with regard to the person examined, and
 - (b) the amount of any expenses reasonably incurred by him in connection with the examination or the making of any such recommendation or report.
- (2) No payment may be made under this section to a medical practitioner—
 - (a) in respect of an examination carried out in the provision of primary medical services for that person, or

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- (b) in respect of an examination carried out or any recommendation or report made^{F14}—
- (i) as part of his duty as an officer of ^{F15}a Primary Care Trust,^{F16}an NHS trust, Special Health Authority, NHS foundation trust or Local Health Board^{F17}, or
 - (ii) pursuant to arrangements made by the National Health Service Commissioning Board or a clinical commissioning group, or
 - (iii) pursuant to arrangements made in the exercise (by any person) of the public health functions of the Secretary of State or a local authority].
- (3) This section applies only in a case where it is intended, when the medical examination of the person in question is carried out, that if he is admitted to hospital in pursuance of an application mentioned in subsection (1), the whole cost of his maintenance and treatment will be defrayed out of moneys provided by Parliament.

Textual Amendments

- F13** Words in s. 236(1) substituted (27.3.2012 for specified purposes) by [Health and Social Care Act 2012 \(c. 7\)](#), s. 306(1)(d)(4), [Sch. 4 para. 123\(2\)](#)
- F14** Word in s. 236(2)(b) inserted (27.3.2012 for specified purposes) by [Health and Social Care Act 2012 \(c. 7\)](#), s. 306(1)(d)(4), [Sch. 4 para. 123\(3\)\(a\)](#)
- F15** Words in s. 236(2)(b) omitted (27.3.2012 for specified purposes) by virtue of [Health and Social Care Act 2012 \(c. 7\)](#), s. 306(1)(d)(4), [Sch. 4 para. 123\(3\)\(b\)](#)
- F16** Word in s. 236(2)(b) inserted (27.3.2012 for specified purposes) by [Health and Social Care Act 2012 \(c. 7\)](#), s. 306(1)(d)(4), [Sch. 4 para. 123\(3\)\(c\)](#)
- F17** S. 236(2)(b)(ii)(iii) and preceding word inserted (27.3.2012 for specified purposes) by [Health and Social Care Act 2012 \(c. 7\)](#), s. 306(1)(d)(4), [Sch. 4 para. 123\(3\)\(d\)](#)

Status:

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Changes to legislation:

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