



National Health Service Act 2006

2006 CHAPTER 41

PART 11

PROPERTY AND FINANCE

CHAPTER 6

FINANCE

[^{F1}^{F2}Integrated care boards]

Textual Amendments

- F1** Ss. 223G-223K and cross-heading inserted (27.3.2012 for specified purposes, 1.10.2012 for specified purposes, 1.4.2013 in so far as not already in force) by [Health and Social Care Act 2012 \(c. 7\)](#), ss. 27, 306(1)(d)(4); S.I. 2012/1831, art. 2(2); S.I. 2013/160, art. 2(2) (with arts. 7-9)
- F2** S. 223G cross-heading substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), ss. 29(2), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 34)

223G Means of meeting expenditure of [^{F3}integrated care boards] out of public funds

- (1) [^{F4}NHS England] must pay in respect of each financial year to each [^{F5}integrated care board] sums not exceeding the amount allotted for that year by [^{F4}NHS England] to [^{F6}the board] towards meeting the expenditure of [^{F6}the board] which is attributable to the performance by it of its functions in that year.
- (2) In determining the amount to be allotted to [^{F7}an integrated care board] for any year, [^{F4}NHS England] may take into account—
 - (a) the expenditure of the [^{F8}integrated care board] 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.

Status: Point in time view as at 01/07/2022.

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- (3) An amount is allotted to [^{F9}an integrated care board] for a year under this section when [^{F10}the board] is notified in writing by [^{F4}NHS England] that the amount is allotted to it for that year.
- (4) [^{F4}NHS England] may make a new allotment under this section increasing or reducing an allotment previously so made.
- (5) Where [^{F4}NHS England] allots an amount to [^{F11}an integrated care board] or makes a new allotment under subsection (4), it must notify the Secretary of State.
- (6) [^{F4}NHS England] may give directions to [^{F12}an integrated care board] 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 [^{F4}NHS England] in respect of charges or other sums referable to the valuation or disposal of assets.
- (7) Sums falling to be paid to [^{F13}integrated care boards] under this section are payable subject to such conditions as to records, certificates or otherwise as [^{F4}NHS England] may determine.
- ^{F14}(8)

Textual Amendments

- F3** Words in s. 223G heading substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(2)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F4** Words in Act substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), Sch. 1 para. 1(1)(2); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F5** Words in s. 223G(1) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(3)(a)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F6** Words in s. 223G(1) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(3)(b)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F7** Words in s. 223G(2) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(4)(a)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F8** Words in s. 223G(2)(a) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(4)(b)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F9** Words in s. 223G(3) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(5)(a)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F10** Words in s. 223G(3) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(5)(b)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F11** Words in s. 223G(5) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(6)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F12** Words in s. 223G(6) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(6)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F13** Words in s. 223G(7) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(7)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F14** S. 223G(8) omitted (1.7.2022) by virtue of Health and Care Act 2022 (c. 31), s. 186(6), **Sch. 4 para. 118(8)**; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)

Modifications etc. (not altering text)

- C1** S. 223G modified (1.7.2022) by The Health and Care Act 2022 (Commencement No. 2 and Transitional and Saving Provision) Regulations 2022 (S.I. 2022/734), **reg. 25** (with regs. 13, 29, 30)

Status: Point in time view as at 01/07/2022.

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Expenditure on integration

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F15

223GA
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- (1) Where the Secretary of State has given NHS England a direction under section 223B(6)(a) about sums paid to it in respect of a financial year, NHS England may direct an integrated care board that an amount (a “designated amount”) of the sums paid to the board under section 223G in respect of that year is to be used for purposes relating to service integration.
- (2) The designated amount—
- (a) is to be determined in such manner as NHS England considers appropriate, and
 - (b) must be specified in the direction under subsection (1).]
- (3) The conditions under section 223G(7) subject to which the payment of a designated amount is made must include a condition that [F17the integrated care board] transfers the amount into one or more funds (“pooled funds”) established under arrangements under section 75(2)(a) (“pooling arrangements”).
- (4) The conditions may also include—
- (a) conditions relating to the preparation and agreement by [F18the integrated care board] and each local authority and other [F19integrated care board] that is party to the pooling arrangements of a plan for how to use the designated amount (a “spending plan”);
 - (b) conditions relating to the approval of a spending plan by [F4NHS England];
 - (c) conditions relating to the inclusion of performance objectives in a spending plan;
 - (d) conditions relating to the meeting of any performance objectives included in a spending plan or specified by [F4NHS England].
- (5) Where a condition subject to which the payment of a designated amount is made is not met, [F4NHS England] may—
- (a) withhold the payment (in so far as it has not been made);
 - (b) recover the payment (in so far as it has been made);
 - (c) direct the [F20integrated care board] as to the use of the designated amount for purposes relating to service integration or for making payments under section 256.
- (6) Where [F4NHS England] withholds or recovers a payment under subsection (5)(a) or (b)—
- (a) [F21it may use the amount for any purposes relating to service integration,] and
 - (b) in so far as the exercise of the power under paragraph (a) involves making a payment to a different [F22integrated care board] or some other person, the making of the payment is subject to such conditions as [F4NHS England] may determine.
- F23(7)
- (8) The power under subsection (5)(b) to recover a payment may be exercised in a financial year after the one in respect of which the payment was made.
- (9) The payments that may be made out of a pooled fund into which a designated amount is transferred include payments to a local authority which is not party to the pooling arrangements in question in connection with the exercise of its functions under Part 1

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of the Housing Grants, Construction and Regeneration Act 1996 (disabilities facilities grants).

- (10) In exercising a power under this section, [^{F4}NHS England] must have regard to the extent to which there is a need for the provision of each of the following—
- (a) health services (see subsection (12)),
 - (b) health-related services (within the meaning given in section [^{F24}14Z42]), and
 - (c) social care services (within the meaning given in that section).
- (11) A reference in this section to service integration is a reference to the integration of the provision of health services with the provision of health-related services or social care services, as referred to in sections 13N and [^{F25}14Z42].
- (12) “Health services” means services provided as part of the health service in England.]

Textual Amendments

- F4** Words in Act substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), Sch. 1 para. 1(1)(2); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F15** S. 223GA inserted (1.10.2014) by [Care Act 2014 \(c. 23\)](#), ss. 121(2), 127(1); S.I. 2014/2473, art. 6
- F16** S. 223GA(1)(2) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), ss. 15(3)(a), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F17** Words in s. 223GA(3) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), [Sch. 4 para. 119\(2\)](#); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F18** Words in s. 223GA(4)(a) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), [Sch. 4 para. 119\(3\)\(a\)](#); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F19** Words in s. 223GA(4)(a) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), [Sch. 4 para. 119\(3\)\(b\)](#); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F20** Words in s. 223GA(5)(c) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), [Sch. 4 para. 119\(4\)](#); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F21** S. 223GA(6)(a) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), ss. 15(3)(b), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F22** Words in s. 223GA(6)(b) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), [Sch. 4 para. 119\(4\)](#); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F23** S. 223GA(7) omitted (1.7.2022) by virtue of [Health and Care Act 2022 \(c. 31\)](#), ss. 15(3)(c), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F24** Word in s. 223GA(10)(b) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), [Sch. 4 para. 119\(5\)](#); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F25** Word in s. 223GA(11) substituted (1.7.2022) by [Health and Care Act 2022 \(c. 31\)](#), s. 186(6), [Sch. 4 para. 119\(5\)](#); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)

^{F26}223GB Power to impose financial requirements on integrated care boards

- (1) NHS England may give integrated care boards directions about their management or use of financial or other resources.
- (2) The directions that may be given include a direction imposing limits on expenditure or resource use by integrated care boards.
- (3) NHS England must publish any directions under this section.

Status: Point in time view as at 01/07/2022.

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Textual Amendments

F26 Ss. 223GB-223GD inserted (1.7.2022) by Health and Care Act 2022 (c. 31), ss. 29(3), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 34)

223GC Financial duties of integrated care boards: expenditure limits

- (1) An integrated care board must exercise its functions with a view to ensuring that expenditure incurred by the board in a financial year does not exceed the sums received by it in that year.
- (2) NHS England may by direction—
 - (a) specify descriptions of expenditure that are, or are not, to be treated for the purposes of this section as expenditure incurred by an integrated care board, or expenditure incurred by it in a particular financial year;
 - (b) specify descriptions of sums that are, or are not, to be treated for the purposes of this section as having been received by an integrated care board, or as having been received by it in a particular financial year;
 - (c) provide for sums received by an integrated care board under section 223G in a year but not spent to be treated for the purposes of this section as expenditure incurred by it in a particular financial year.
- (3) For the purposes of this section any sum allotted to an integrated care board for a year under section 223G is to be treated as received by it in that year (subject to any direction under subsection (2)(b)).

Textual Amendments

F26 Ss. 223GB-223GD inserted (1.7.2022) by Health and Care Act 2022 (c. 31), ss. 29(3), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 34)

223GD Integrated care boards: banking facilities

The Secretary of State may give integrated care boards directions requiring them to use specified banking facilities for any specified purposes.]

Textual Amendments

F26 Ss. 223GB-223GD inserted (1.7.2022) by Health and Care Act 2022 (c. 31), ss. 29(3), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 34)

^{F27}223H Financial duties of clinical commissioning groups: expenditure

Textual Amendments

F27 Ss. 223H-223J omitted (1.7.2022) by virtue of Health and Care Act 2022 (c. 31), ss. 29(4), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 34)

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F27 223I Financial duties of clinical commissioning groups: use of resources

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<p>Textual Amendments</p> <p>F27 Ss. 223H-223J omitted (1.7.2022) by virtue of Health and Care Act 2022 (c. 31), ss. 29(4), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 34)</p>
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F27 223J Financial duties of clinical commissioning groups: additional controls on resource use

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<p>Textual Amendments</p> <p>F27 Ss. 223H-223J omitted (1.7.2022) by virtue of Health and Care Act 2022 (c. 31), ss. 29(4), 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 34)</p>
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223K Payments in respect of quality

- (1) [F4NHS England] may, after the end of a financial year, make a payment to [F28an integrated care board].
- (2) For the purpose of determining whether to make a payment under subsection (1) and (if so) the amount of the payment, [F4NHS England] 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).
- (3) For that purpose, [F4NHS England] 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).

F29(4)

F30(5)

- (6) Regulations may make provision as to how payments under subsection (1) may be spent F31
- (7) [F32An integrated care board] must publish an explanation of how [F33the board] has spent any payment made to it under subsection (1).

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(8) In this section—

[^{F34}“relevant services” means services provided in pursuance of arrangements made by the integrated care board in the exercise of its functions by virtue of this Act;]

“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.]

Textual Amendments

- F4** Words in Act substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), Sch. 1 para. 1(1)(2); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F28** Words in s. 223K(1) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), Sch. 4 para. 120(2); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F29** S. 223K(4) omitted (1.7.2022) by virtue of Health and Care Act 2022 (c. 31), ss. 16, 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F30** S. 223K(5) omitted (1.7.2022) by virtue of Health and Care Act 2022 (c. 31), ss. 16, 186(6); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F31** Words in s. 223K(6) omitted (1.7.2022) by virtue of Health and Care Act 2022 (c. 31), s. 186(6), Sch. 4 para. 120(3); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F32** Words in s. 223K(7) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), Sch. 4 para. 120(4)(a); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F33** Words in s. 223K(7) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), Sch. 4 para. 120(4)(b); S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)
- F34** Words in s. 223K(8) substituted (1.7.2022) by Health and Care Act 2022 (c. 31), s. 186(6), Sch. 9 para. 11; S.I. 2022/734, reg. 2(a), Sch. (with regs. 13, 29, 30)

Status:

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Changes to legislation:

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