
STATUTORY INSTRUMENTS

1996 No. 706

**The National Health Service (Fund-
holding Practices) Regulations 1996**

**PART I
GENERAL**

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the National Health Service (Fund-holding Practices) Regulations 1996 and shall come into force on 1st April 1996.

(2) In these Regulations, unless the context otherwise requires—

“the 1977 Act” means the National Health Service Act 1977;

“the 1990 Act” means the National Health Service and Community Care Act 1990;

“application” means an application for recognition as a fund-holding practice;

“bank account” includes an account with a building society incorporated under the Building Societies Act 1986⁽¹⁾;

“community fund-holding practice” means a fund-holding practice which has been granted recognition as a community fund-holding practice in accordance with regulation 5;

“former fund-holding practice” means the medical practitioners who were members of a fund-holding practice and who—

(a) have renounced recognition as a fund-holding practice in accordance with regulation 11;
or

(b) from whom recognition has been removed in accordance with regulations 13 and 14 or 15 and 16,

whichever is appropriate;

“fund-holding account” means a bank account maintained by the members of a fund-holding practice for the purpose of receiving an allotted sum or any part of it;

“health service body” has the same meaning as in section 4 of the 1990 Act⁽²⁾;

“list size” means the number of individuals on the list of patients of a medical practitioner who provides general medical services in accordance with arrangements under section 29 of the 1977 Act;

“notice” means notice in writing;

“practice” means a medical practitioner who, or a group of medical practitioners acting jointly and whether or not practising in partnership which, makes or proposes to make an application and “members of the practice” shall be construed accordingly;

⁽¹⁾ 1986 c. 53.

⁽²⁾ Section 4 was amended by paragraph 68 of Schedule 1 to the Health Authorities Act 1995 (c. 17).

“savings” shall be construed in accordance with regulation 25; and

“standard fund-holding practice” means a fund-holding practice which has been granted recognition as a standard fund-holding practice in accordance with regulation 5.

(3) In these regulations, any reference to a Health Authority is a reference to the relevant Health Authority, construed in accordance with section 15(1B) and (1C) of the 1977 Act⁽³⁾ and in the case of an application, the relevant Health Authority is that Health Authority which would be the relevant Health Authority if the application were successful.

(4) For the purposes of these Regulations, an application is made when it is received by the person to whom it is required to be made in accordance with regulation 3.

(5) Where an allotment has not yet been made, references to an allotted sum in regulations 19, 20, 22, 23 and 24 include references to any payments on account of an allotted sum and to the discharge of liabilities as mentioned in section 15(3)(b) of the 1990 Act.

(6) In these Regulations, any reference to a fund-holding practice renouncing recognition is a reference to a fund-holding practice renouncing its status as a recognised fund-holding practice.

(7) In these Regulations, any reference to the Secretary of State removing recognition is a reference to the Secretary of State removing recognition from the members of a fund-holding practice.

(8) In these Regulations, any reference to the rights and liabilities of members of a fund-holding practice is a reference to rights and liabilities incurred in connection with the application of an allotted sum and in particular to rights and liabilities under NHS contracts.

(9) In these Regulations, any reference to the sending of a document is a reference to the sending of the document in a pre-paid letter addressed, in the case of a medical practitioner, to him at the address given in the medical list in which he is included and, in the case of the Secretary of State or a Health Authority, to them at their principal office.

Application of Regulations in Wales

2. In relation to a fund-holding practice whose Health Authority has an area in Wales—

(a) in Schedule 1, in paragraph 1—

(i) the condition specified in sub-paragraph (a) does not apply, and

(ii) sub-paragraph (b) applies as if for “5,000” there were substituted “4,000”; and

(b) in Schedule 2, paragraphs 1 and 2 shall each apply as if the words “in the case of a community fund-holding practice at least 3,000 patients or” were omitted and as if for “5,000” there were substituted “4,000”.

(3) Section 15(1B) was added by section 12(1) of the National Health Service and Community Care Act 1990 (c. 19) and amended by paragraph 6 of Schedule 1 to the Health Authorities Act 1995 (c. 17); subsection (1C) was added by paragraph 6 of Schedule 1 to the Health Authorities 1995 Act.