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STATUTORY INSTRUMENTS

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**1997 No. 1014**

**The National Health Service (Fund-Holding Practices) (Scotland) Regulations 1997**

**PART III**

**RENUNCIATION OF RECOGNITION**

**Renunciation of recognition**

**10.**—(1) The members of a fund-holding practice may renounce recognition by giving to the relevant Health Board a notice of their intention to renounce recognition in accordance with paragraph (2).

(2) A notice of renunciation referred to in paragraph (1) shall—

- (a) be in writing;
- (b) be signed by a majority of the members of the fund-holding practice;
- (c) be given at least three months before the 31st March next occurring after the sending of the notice;
- (d) be expressed to expire on 31st March; and
- (e) be accompanied by a statement including the following information:—
  - (i) details of any NHS contracts into which the members of the practice have entered;
  - (ii) the amount of the current balance in the fund-holding account;
  - (iii) the amount standing at the credit of the practice in the fund-holding account which is available to be applied for the purposes specified in regulation 22;
  - (iv) the liabilities of the members of the practice in relation to the allotted sum.

(3) Health Boards shall at least once in every year send a notice to the Secretary of State stating how many fund-holding practices have renounced recognition during that year.

**Consequences of renunciation of recognition**

**11.**—(1) The consequences of renunciation are that subject to paragraphs (2), (3) and (4), the members of a fund-holding practice cease, as from 31st March specified in the notice referred to in regulation 10(2), to be recognised as a fund-holding practice.

(2) Notwithstanding renunciation of recognition and subject to paragraph (6), a former fund-holding practice shall continue to fulfil the conditions specified in paragraphs 7, 8, 9, 10, 11 and 12 of Schedule 2 until the relevant Health Board is satisfied that all the liabilities of the former fund-holding practice in relation to the allotted sum have been discharged.

(3) Where, on the date when the renunciation of recognition takes effect, the members of the fund-holding practice have any outstanding liabilities and the entire allotted sum payable in respect of the financial year ending on that date has been spent, such liabilities shall be met from any accumulated savings.

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*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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(4) When the relevant Health Board is satisfied that all liabilities of the fund-holding practice, have been discharged it shall send a notice to that effect to each member of the former fund-holding practice and as from receipt of that notice the practice shall no longer be required to fulfil any of the conditions set out in Schedule 2.

(5) If after a notice under the preceding paragraph has been sent, part of the allotted sum remains in the fund-holding account, the former fund-holding practice shall apply that sum as specified in regulation 22 for the benefit of the patients of the members of the former fund-holding practice in such proportions as the members of the former fund-holding practice may agree or, where they do not agree, in proportion to the respective list sizes of the members of the former fund-holding practice.

(6) If, at any time after the renunciation of recognition has taken effect, the relevant Health Board is satisfied that—

- (a) no part of the allotted sum remains in the fund-holding account; and
- (b) the liabilities of the former fund-holding practice in relation to the allotted sum have not been discharged,

all rights and any such liabilities of the former fund-holding practice shall, upon notice being sent to such effect to each member of the former fund-holding practice, transfer to the relevant Health Board.