
STATUTORY INSTRUMENTS

1998 No. 1330

**NATIONAL HEALTH SERVICE,
ENGLAND AND WALES
NATIONAL HEALTH SERVICE, SCOTLAND**

**The National Health Service (Pilot Schemes: Financial
Assistance for Preparatory Work) Regulations 1998**

<i>Made</i>	- - - -	<i>27th May 1998</i>
<i>Laid before Parliament</i>		<i>1st June 1998</i>
<i>Coming into force</i>	- -	<i>22nd June 1998</i>

The Secretary of State, in exercise of powers conferred on him by sections 18(1) and (3) and 39(2) of the National Health Service (Primary Care) Act 1997⁽¹⁾ and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the National Health Service (Pilot Schemes: Financial Assistance for Preparatory Work) Regulations 1998 and shall come into force on 22nd June 1998.

(2) In these Regulations—

“the Act” means the National Health Service (Primary Care) Act 1997; and

“the relevant date” has the meaning given to it in regulation 2(7).

Provision of financial assistance

2.—(1) An authority⁽²⁾ may make payments of financial assistance for preparatory work within the meaning of section 18(2) of the Act.

(2) Subject to the provisions of this regulation, such payments may be made only following receipt by the authority of a written application from a person (“the applicant”), who—

(a) where the financial assistance is requested for preparatory work falling within section 18(2)(a) of the Act, is a person who wishes to provide piloted services and

(1) 1997 c. 46.

(2) “Authority” is defined in section 1(8) of the Act.

with whom an agreement which constitutes, or is one of the agreements which together constitute, a pilot scheme⁽³⁾ may be made⁽⁴⁾; or

- (b) where the financial assistance is requested for preparatory work falling within section 18(2)(b) of the Act, is a person who is named as a proposed provider of piloted services—

(i) in proposals for a pilot scheme which have been approved by the Secretary of State under section 5 of the Act, or

(ii) where such proposals have been subsequently varied with the agreement of the Secretary of State or, as the case may be, in a manner authorised by directions given by the Secretary of State under section 6 of the Act, in the proposals as so varied.

and such proposals are referred to below in this regulation as “the relevant proposals”.

- (3) Payments of financial assistance may be made under paragraph (1) only if—

- (a) the applicant’s application specifies—

(i) the purposes for which he intends to use the payment of financial assistance for which he has applied; and

(ii) subject to paragraph (5), in the case of an application for financial assistance for preparatory work falling within section 18(2)(a) of the Act, the date by which he intends the authority to submit the proposals in question to the Secretary of State;

- (b) the authority has notified the applicant in writing that it is willing to make a payment of financial assistance to him for the purposes so specified, and of the maximum amount of the payment which it is willing to make; and

- (c) the applicant has satisfied the authority that—

(i) he has incurred costs which are not less than the amount of the payment of financial assistance for which he has applied, and

(ii) those costs were incurred before the relevant date, for the purposes specified in his application.

(4) Where two or more persons have together applied for financial assistance, payment may be made to any one of them on behalf of them all; but otherwise in such a case “the applicant” means all of them together.

(5) In relation to applications made by persons referred to in paragraph (2)(a), where the Secretary of State has in directions to the authority specified the date (or a number of dates) by which proposals are to be submitted to him, and the authority receives an application which for the purposes of paragraph (3)(a)(ii) specifies a different date, the authority must—

- (a) notify the applicant of all dates specified in the directions which relate to proposals for the services in question which have not yet passed; and

- (b) invite the applicant to amend the application so as to specify one of those dates for the purposes of paragraph (3)(a)(ii) (being a date which has not yet passed at the time of the amendment);

and until the application is so amended it shall be treated as not having been made.

(6) In relation to applications made by persons referred to in paragraph (2)(b), subject to any directions given by the Secretary of State under section 6(1) of the Act as to implementation of proposals—

(3) “Pilot scheme” is defined in section 1(1) of the Act.

(4) An authority may enter into an agreement with one or more of the persons listed in either section 2(2) of the Act, for the provision of personal medical services, or section 3(2) of the Act, for the provision of personal dental services. Section 4(2) requires an authority to prepare and submit a proposal if asked to do so by such a person.

- (a) if the relevant proposals do not specify the date by which those proposals are to be implemented, an authority may give notification to an applicant under paragraph (3)(b) only if it has agreed with him the date by which the proposals are to be implemented; but
 - (b) where an authority and the applicant have agreed a date by which the relevant proposals are to be implemented, they may, at any time before that date, agree a different date as the date by which the proposals are to be implemented, in substitution for that date.
- (7) In paragraph (3)(c)(ii) and in regulation 3(1) “the relevant date” means—
- (a) in relation to applications made by persons referred to in paragraph (2)(a), whichever of the dates mentioned in heads (i) or (ii) occurs first—
 - (i) subject to paragraph (5), the date specified by the applicant in his application (or as the case may be his amended application) as the date by which he intends the authority to submit the proposals in question to the Secretary of State, or
 - (ii) the date on which the authority submits the proposals in question to the Secretary of State.
 - (b) in relation to applications made by persons referred to in paragraph (2)(b), whichever of the dates mentioned in heads (i) to (iii) occurs first—
 - (i) the date on which the relevant proposals are implemented,
 - (ii) the date on which the authority receives notification from an applicant to whom it has given notification under paragraph (3)(b) in respect of the relevant proposals that he wishes to withdraw before those proposals are implemented⁽⁵⁾, or
 - (iii) the date specified in the relevant proposals or, as the case may be, for the time being agreed under paragraph (6) as the date by which the proposals are to be implemented.

Conditions on payments of financial assistance

3.—(1) Notwithstanding that the applicant has satisfied the authority as mentioned in regulation 2(3)(c), the authority shall upon making a payment of financial assistance under regulation 2(1) also require all the costs in respect of which the payment is made to have been incurred before the relevant date and for the purposes specified in the application for that payment.

(2) An applicant receiving such a payment shall comply with any conditions which the authority may impose in writing in connection with that requirement.

(3) Where an authority, despite having been satisfied as mentioned in regulation 2(3)(c), subsequently discovers that the applicant has not complied with any conditions imposed under paragraph (2) it may demand repayment of any part of the payment that was not properly incurred and the applicant shall forthwith repay the sum demanded.

Transitional provisions

4. Where before 22nd June 1998 an application has been made to an authority for financial assistance under regulation 2(1), 4(1) or 6(1) of the National Health Services (Pilot Schemes: Financial Assistance for Preparatory Work) Regulations 1997⁽⁶⁾ the provisions of those Regulations shall continue to apply in relation to any such application as if regulation 5 of these Regulations had not come into force.

⁽⁵⁾ See section 6(2) of the Act as to withdrawal by a proposed participant in a pilot scheme.

⁽⁶⁾ S.I. 1997/1821, amended by S.I. 1997/2289, regulation 4 and S.I. 1997/3021.

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Revocations

5. The Regulations specified in column (1) of Schedule 1 are hereby revoked to the extent specified in column (3) of that Schedule.

27th May 1998

Frank Dobson
One of Her Majesty's Principal Secretaries of
State,
Department of Health

SCHEDULE 1

Regulation 5

REVOCATIONS

(1) <i>Regulations revoked</i>	(2) <i>References</i>	(3) <i>Extent of revocation</i>
The National Health Service (Pilot Schemes: Financial Assistance for Preparatory Work) Regulations 1997	S.I. 1997/1821	The whole Regulations
The National Health Service (Proposals for Pilot Schemes) and (Miscellaneous Amendments) Regulations 1997	S.I. 1997/2289	Regulation 4
The National Health Service (Pilot Schemes: Financial Assistance for Preparatory Work) Amendment Regulations 1997	S.I. 1997/3021	The whole Regulations

EXPLANATORY NOTE*(This note is not part of the Regulations)*

These Regulations consolidate, with amendments, the National Health Service (Pilot Schemes: Financial Assistance for Preparatory Work) Regulations 1997, as amended by regulation 4 of the National Health Service (Proposals for Pilot Schemes) and (Miscellaneous Amendments) Regulations 1997 and by the National Health Service (Pilot Schemes: Financial Assistance for Preparatory Work) Amendment Regulations 1997.

These Regulations make provision for Health Authorities in England and Wales and Scottish Health Boards (referred to collectively in these Regulations as “authorities”) to give financial assistance to persons wishing to participate in a pilot scheme under the National Health Service (Primary Care) Act 1997 (“the 1997 Act”). Payments may be made in respect of work reasonably undertaken in connection with preparing proposals for a pilot scheme or, as the case may be, preparing for the provision of piloted services.

Any person who, in accordance with the provisions of section 2(2) or 3(2) of the 1997 Act, is able to enter into an agreement to provide piloted services may apply to an authority for financial assistance in respect of preparing proposals for a pilot scheme.

Any person who is named as a proposed provider of piloted services in proposals for a pilot scheme may (if those proposals have been approved by the Secretary of State) apply to an authority for financial assistance in respect of preparing for the provision of those services.

An application for either type of financial assistance must specify the purposes for which the applicant intends to use the payment and payments may be made only in respect of costs which have

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been incurred for those purposes by the relevant date. An authority may impose conditions designed to require a person who is given financial assistance to return all or part of any payment made, if it is subsequently discovered that costs were not in fact incurred by the relevant date or for the purposes specified in his application.

Transitional provisions (regulation 4) provide for applications for financial assistance made to an authority before 22nd June 1998 to proceed under Regulations revoked by these Regulations, as if these Regulations had not come into force.

These Regulations impose no costs on business.