

**EXPLANATORY MEMORANDUM TO THE
SPECIAL HEALTH AUTHORITIES ABOLITION ORDER 2005**

2005 No.502

1. This explanatory memorandum has been prepared by the Department of Health and is laid before the House of Commons by Command of Her Majesty.

This memorandum does not contain information for the Joint Committee on Statutory Instruments or the Select Committee on Statutory Instruments.

2. **Description**

2.1 The Special Health Authorities Abolition Order will dissolve the following Arm's Length Bodies on the 1st April 2005 and transfer their functions, rights, assets and liabilities as detailed below.

Family Health Services Appeals Authority (SHA) dissolved and transferred to the NHS Litigation Authority (NHSLA)

NHS Information Authority (NHSIA) dissolved and transferred to the Health and Social Care Information Centre (HSCIC).

Health Development Agency (HDA) dissolved and transferred to the National Institute of Clinical Excellence (NICE)

National Clinical Assessment Authority (NCAA) dissolved and transferred to National Patients Safety Agency

3. **Matters of special interest to the Joint Committee on Statutory Instruments or the Select Committee on Statutory Instruments**

3.1 None

4. **Legislative Background**

4.1 The following legislation will be revoked:

The Family Health Services Appeal Authority (Establishment and Constitution) Order 1995

The Family Health Services Appeal Authority Regulations 1995(1)

The Health Service Commissioner (Family Health Services Appeal Authority) Order 1995(2)

(1) S.I. 1995/622 as amended by S.I. 2001/3562.

(2) S.I. 1995/753.

The National Health Service Information Authority (Establishment and Constitution) Order 1999

The National Health Service Information Authority Regulations 1999⁽³⁾

The Health Development Agency (Establishment and Constitution) Order 1999

The Health Development Agency Regulations 1999⁽⁴⁾

The National Clinical Assessment Authority (Establishment and Constitution) Order 2000

The National Clinical Assessment Authority Regulations 2000⁽⁵⁾

5. Extent

5.1 This instrument applies to England.

6. European Convention on Human Rights

Not applicable.

7. Policy background

7.1 The Secretary of State for Health, John Reid, announced on the 20th May 2004 a review of all Department of Health Arm's Length Bodies. By 2007/2008 there will be a 50% reduction in the number of arms length bodies; saving in expenditure of £0.5 billion and a reduction in posts of 25%.

7.2 The 1st of April 2005 changes announced under the ALB Review are:

- **NHS Litigation Authority (NHSLA)** - transfer of the Family Health Services Appeals Authority (SHA) to the NHSLA and dissolve the FHSAA (SHA).
- **National Institute of Clinical Excellence (NICE)** - transfer all of the functions of the Health Development Agency (HDA) to NICE and dissolve the HDA. Transfer the responsibility for the management of the 3 Confidential Enquiries from NICE to the NPSA.
- Establish a new **Health and Social Care Information Centre** SpHA. Abolish the NHS Information Authority SpHA (NHSIA) and transfer its information-

⁽³⁾ S.I. 1999/964 as amended by S.I. 2004/696.

⁽⁴⁾ S.I. 1999/3432.

⁽⁵⁾ S.I. 2000/2962.

related functions to the new Information Centre. Transfer the statistics and information management functions of the Department of Health to the IC.

- **National Patient Safety Agency (NPSA)** - transfer all the functions of the National Clinical Assessment Authority (NCAA) and dissolve the NCAA. Transfer responsibility for the management of the 3 Confidential Enquiries from NICE. Transfer of the responsibility for the Better Hospital Food Programme, certain cleaning related implementation functions and certain hospital design related projects from NHS Estates to the NPSA. Transfer of all functions of the Central Office for Research Ethics Committees.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies

9. Contact

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