

SCHEDULE 2

Other required terms

PART 8

Variation and termination of agreements

Variation of an agreement

52.—(1) Subject to Part 6 and to paragraphs 43(3) and 64 of Schedule 2, a variation of, or amendment to, an agreement is not effective unless it is in writing and signed by or on behalf of [F1NHS England] and the contractor.

(2) [F1NHS England] may vary the agreement without the contractor's consent where—

- (a) it is reasonably satisfied that the variation is necessary in order to comply with the Act, any regulations made under or by virtue of the Act, or any direction given by the Secretary of State under or by virtue of the Act; and
- (b) it gives notice in writing to the contractor of the wording of the proposed variation and the date on which that variation is to take effect.

(3) The date on which the proposed variation referred to in sub-paragraph (2)(b) is to take effect must, unless it is not reasonably practicable, be a date which falls at least 14 days after the date on which the notice under that sub-paragraph is given to the contractor.

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Termination by agreement

53. [F1NHS England] and the contractor may agree in writing to terminate the agreement, and if the parties so agree, they must agree the date upon which that termination is to take effect and any further terms upon which the agreement is to be terminated.

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Termination on death of the contractor

54.—(1) Where the agreement is with an individual medical practitioner and that medical practitioner dies, the agreement terminates at the end of the period of seven days beginning with the date of the contractor's death unless sub-paragraph (2) applies.

(2) This sub-paragraph applies where, before the end of the period of seven days referred to in sub-paragraph (1), [F1NHS England] agrees in writing with the contractor's personal representatives that the agreement should continue for a further period, not exceeding 28 days, from the end of the period of seven days.

Status: Point in time view as at 06/11/2023.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to The National Health Service (Personal Medical Services Agreements) Regulations 2015. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

(3) This paragraph does not affect any other rights to terminate the agreement which [F1NHS England] may have under paragraphs 57 to 60.

Textual Amendments

F1 Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Termination by giving notice

55.—(1) The contractor or [F1NHS England] may at any time terminate the agreement by giving notice in writing to the other party or parties to the agreement.

(2) Subject to sub-paragraphs (3) and (4), notice given under sub-paragraph (1) must specify the date on which the termination is to take effect and the agreement terminates on the date so specified.

(3) Where the period of notice in relation to the termination (which must be a period of at least six months) has previously been agreed between the parties and provided for in the agreement, the date of termination specified in the notice must be calculated in accordance with the agreed period of notice.

(4) Where a period of notice in relation to the termination has not previously been agreed between the parties and provided for in the agreement, the period of notice required must be six months and the date of termination specified in the notice must be calculated accordingly and the agreement terminates on the date so calculated.

(5) This paragraph does not affect any other rights to terminate the agreement which the contractor and [F1NHS England] may have.

Textual Amendments

F1 Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Late payment notices

56.—(1) The contractor may give notice in writing (a “late payment notice”) to [F1NHS England] if [F1NHS England] has failed to make any payments due to the contractor in accordance with a term of the agreement regarding prompt payments which has the effect specified in regulation 16(1), and the contractor must specify in the late payment notice the payments that [F1NHS England] has failed to make in accordance with that term.

(2) Subject to sub-paragraph (4), the contractor may, at least 28 days after the date on which a late payment notice under sub-paragraph (1) was given, terminate the agreement by giving a further written notice to [F1NHS England] in the event of [F1NHS England’s] continuing failure to make the payments that are due to the contractor as specified in the late payment notice.

(3) Sub-paragraph (4) applies if, following receipt of a late payment notice, [F1NHS England]—

- (a) refers the matter to the NHS dispute resolution procedure before the end of a period of 28 days beginning with the date on which [F1NHS England] received the late payment notice; and
- (b) gives notice in writing to the contractor that it has done so before the end of that period.

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(4) Where this sub-paragraph applies, the contractor may not terminate the agreement in accordance with sub-paragraph (2) until—

- (a) there has been a final determination of the dispute under the NHS dispute resolution procedure and that determination permits the contractor to terminate the agreement; or
- (b) [F¹NHS England] ceases to pursue the NHS dispute resolution procedure,

whichever is the earlier.

(5) This paragraph does not affect any other rights to terminate the agreement that the contractor may have.

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Termination by [F¹NHS England] for the provision of untrue etc. information

57.—(1) Where sub-paragraph (2) applies, [F¹NHS England] may give notice in writing to the contractor terminating the agreement with immediate effect, or from such date as may be specified in the notice.

(2) This sub-paragraph applies if, after the agreement was entered into, it comes to [F¹NHS England's] attention that written information—

- (a) provided to [F¹NHS England] by the contractor before the agreement was entered into; or
- (b) included in a notice given to [F¹NHS England] under paragraph 46(1)(a) or (b),

relating to the conditions set out in regulation 5 (and compliance with those conditions) was, when given, untrue or inaccurate in a material respect.

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Other grounds for termination by [F¹NHS England]

58.—(1) [F¹NHS England] may give notice in writing to a contractor terminating the agreement with immediate effect, or from such date as may be specified in the notice, if sub-paragraph (4) applies to the contractor—

- (a) during the existence of the agreement; or
- (b) if later, on or after the date on which a notice in respect of the contractor's compliance with the conditions in regulation 5 was given under paragraph 46(1)(a) or (b).

(2) Sub-paragraph (4) applies—

- (a) where a contractor who is an individual medical practitioner is a party to the agreement, to that medical practitioner; or
- (b) where the agreement is with a contractor which is a qualifying body, to—
 - (i) the qualifying body,
 - (ii) any person both legally and beneficially owning a share in the qualifying body, or

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(iii) any director or secretary of the qualifying body.

(3) In the case of a person who is a party to an agreement made before 1st April 2004 which is deemed to be an agreement made under section 92 of the Act, the reference to “during the existence of the agreement” in sub-paragraph (1) is to be construed as excluding any period before 1st April 2004.

(4) This sub-paragraph applies if—

- (a) the contractor is the subject of a national disqualification;
- (b) subject to sub-paragraph (5), the contractor has been disqualified or suspended (other than by an interim suspension order or direction pending an investigation or a suspension on the grounds of ill-health) from practising by a licensing body anywhere in the world;
- (c) subject to sub-paragraph (6), the contractor has been dismissed (otherwise than by reason of redundancy) from any employment by a health service body unless, before [F1NHS England] has given notice to the contractor terminating the agreement under this paragraph, the contractor is employed by the health service body from which the contractor was dismissed or by another health service body;
- (d) the contractor has been removed from, or refused admission to, a primary care list by reason of inefficiency, fraud or unsuitability (within the meaning of section 151(2), (3) and (4) of the Act ^{M1} respectively) unless the contractor's name has subsequently been included in such a list;
- (e) the contractor has been convicted in the United Kingdom of murder;
- (f) the contractor has been convicted in the United Kingdom of a criminal offence other than murder and has been sentenced to a term of imprisonment of longer than six months;
- (g) subject to sub-paragraph (7), the contractor has been convicted elsewhere of an offence which would, if committed in England and Wales constitute murder, and—
 - (i) the offence was committed on or after 14th December 2001, and
 - (ii) the contractor was sentenced to a term of imprisonment of longer than six months;
- (h) the contractor has been convicted of an offence referred to in Schedule 1 to the Children and Young Persons Act 1933 ^{M2} (offences against children and young persons, with respect to which special provisions of this Act apply) or Schedule 1 to the Criminal Procedure (Scotland) Act 1955 ^{M3} (offences against children under the age of 17 years to which special provisions apply);
- (i) the contractor has at any time been included in—
 - (i) any barred list within the meaning of section 2 of the Safeguarding Vulnerable Groups Act 2006 ^{M4} (barred lists), or
 - (ii) any barred list within the meaning of the Safeguarding Vulnerable Groups (Northern Ireland) Order 2007 ^{M5} (barred lists),
 unless the contractor was removed from the list either on the grounds that it was not appropriate for the contractor to have been included in it or as the result of a successful appeal;
- (j) the contractor has within the period of 5 years before the signing of the agreement, been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commission, the Charity Commission for Northern Ireland or the High Court, and that order was made on the grounds of misconduct or mismanagement in the administration of a charity for which the contractor was responsible or to which the contractor was privy, or which was contributed to, or facilitated by, the contractor's conduct;

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- (k) the contractor has, within the period of five years before the signing of the agreement or the commencement of the agreement, whichever is the earlier, been removed from being concerned with the management or control of any body in any case where removal was by virtue of section 34(5)(e) of the Charities and Trustees Investment (Scotland) Act 2005^{M6} (powers of Court of Session);
- (l) the contractor—
 - (i) has been [^{F2}made] bankrupt and has not been discharged from the bankruptcy or the bankruptcy order has not been annulled, or
 - (ii) has had sequestration of the contractor's estate awarded and has not been discharged from the sequestration;
- (m) the contractor is the subject of a bankruptcy restrictions order or an interim bankruptcy restrictions order under Schedule 4A to the Insolvency Act 1986^{M7} (bankruptcy restrictions order and undertaking) or in Schedule 2A to the Insolvency (Northern Ireland) Order 1989^{M8} (bankruptcy restrictions order and undertaking), or sections 56A to 56K of the Bankruptcy (Scotland) Act 1985^{M9} (bankruptcy restrictions order, interim bankruptcy restrictions order and bankruptcy restrictions undertaking) unless the contractor has been discharged from that order or that order has been annulled;
- (n) the contractor—
 - (i) is subject to a moratorium period under a debt relief order under Part VIIA of the Insolvency Act 1986^{M10} (debt relief orders) applies, or
 - (ii) is the subject of a debt relief restrictions order or an interim debt relief restrictions order under Schedule 4ZB to that Act^{M11} (debt relief restrictions order and undertaking);
- (o) the contractor has made a composition agreement or arrangement with, or a trust deed has been granted for, the contractor's creditors and the contractor has not been discharged in respect of it;
- (p) the contractor is a company which has been wound up under Part IV of the Insolvency Act 1986^{M12} (winding up of companies registered under the Companies Acts);
- (q) an administrator, administrative receiver or receiver has been appointed in respect of the contractor;
- (r) the contractor has had an administration order made in respect of the contractor under Schedule B1 to the Insolvency Act 1986^{M13} (administration);
- (s) the contractor is subject to—
 - (i) a disqualification order under section 1 of the Company Directors Disqualification Act 1986^{M14} (disqualification orders: general) or a disqualification undertaking under Section 1A of that Act^{M15} (disqualification undertakings: general), or
 - (ii) a disqualification order or disqualification undertaking under article 3 (disqualification orders: general) or article 4 (disqualification undertakings: general) of the Company Directors Disqualification (Northern Ireland) Order 2002^{M16} unless that order has ceased to have effect or has been annulled, or
 - (iii) a disqualification order under section 429(2) of the Insolvency Act 1986^{M17} (disabilities on revocation of an administration order against an individual);^{F3}...
- (t) the contractor has refused to comply with a request made by [^{F1}NHS England] for the contractor to be medically examined because [^{F1}NHS England] is concerned that the contractor is incapable of adequately [^{F4}providing services under the agreement; or]

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[^{F5}(u) the contractor’s registration with the Care Quality Commission has been cancelled in accordance with section 17(1) of the Health and Social Care Act 2008, and that cancellation is the final decision of the Commission, or, where an appeal has been launched, is the outcome of that appeal.]

(5) [^{F1}NHS England] may not terminate the agreement in accordance with sub-paragraph (4)(b) where [^{F1}NHS England] is satisfied that the disqualification or suspension imposed by a licensing body outside the United Kingdom does not make the contractor unsuitable to be—

- (a) a party to the agreement; or
- (b) in the case of an agreement with a qualifying body—
 - (i) a person both legally and beneficially owning a share in the qualifying body, or
 - (ii) a director or secretary of the qualifying body,

as the case may be.

(6) [^{F1}NHS England] may not terminate the agreement in accordance with sub-paragraph (4)(c)—

- (a) until a period of at least three months has elapsed since the date of the dismissal of the person concerned; or
- (b) if, during the period specified in paragraph (a), the person concerned brings proceedings in any competent tribunal or court in respect of the dismissal, until proceedings before that tribunal or court are concluded,

and [^{F1}NHS England] may only terminate the agreement at the end of the period specified in paragraph (b) if there is no finding of unfair dismissal at the end of those proceedings.

(7) [^{F1}NHS England] must not terminate the agreement in accordance with sub-paragraph (4)(g) or, as the case may be (4)(h), where [^{F1}NHS England] is satisfied that the conviction does not make the person unsuitable to be—

- (a) a party to the agreement; or
- (b) in the case of a qualifying body—
 - (i) a person both legally and beneficially owning a share in the qualifying body, or
 - (ii) a director or secretary of the qualifying body,

as the case may be.

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**
- F2** Word in Sch. 2 Pt. 8 para. 58(4)(l)(i) substituted (6.4.2016) by [The Enterprise and Regulatory Reform Act 2013 \(Consequential Amendments\) \(Bankruptcy\) and the Small Business, Enterprise and Employment Act 2015 \(Consequential Amendments\) Regulations 2016 \(S.I. 2016/481\)](#), reg. 1, **Sch. 2 para. 13**
- F3** Word in Sch. 2 para. 58(4) omitted (E.) (1.10.2020) by virtue of [The National Health Service \(General Medical Services Contracts and Personal Medical Services Agreements\) \(Amendment\) \(No. 2\) Regulations 2020 \(S.I. 2020/911\)](#), reg. 1(2), **Sch. 2 para. 14(a)**
- F4** Words in Sch. 2 para. 58(4)(t) substituted (E.) (1.10.2020) by [The National Health Service \(General Medical Services Contracts and Personal Medical Services Agreements\) \(Amendment\) \(No. 2\) Regulations 2020 \(S.I. 2020/911\)](#), reg. 1(2), **Sch. 2 para. 14(b)**
- F5** Sch. 2 para. 58(4)(u) inserted (E.) (1.10.2020) by [The National Health Service \(General Medical Services Contracts and Personal Medical Services Agreements\) \(Amendment\) \(No. 2\) Regulations 2020 \(S.I. 2020/911\)](#), reg. 1(2), **Sch. 2 para. 14(c)**

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Marginal Citations

- M1** Section 151 was amended by paragraph 79 of Schedule 4 to the [Health and Social Care Act 2012 \(c.7\)](#).
- M2** 1933 c.12. Schedule 1 was amended by section 51 of, and Schedule 4 to, the [Sexual Offences Act 1956 \(c.99\)](#); section 170 of, and Schedule 10 to, the [Criminal Justice Act 1988 \(c.33\)](#); section 139 of, and Schedule 6 to, the [Sexual Offences Act 2003 \(c.42\)](#); section 58(1) of, and Schedule 10 to, the [Domestic Violence, Crime and Victims Act 2004 \(c.28\)](#); and section 115(1) of, and Schedule 10 to, the [Protection of Freedoms Act 2012 \(c. 9\)](#).
- M3** 1995 c.46.
- M4** 2006 c.47.
- M5** S.I. 2007/1351 (N.I.11)
- M6** 2005 asp 10.
- M7** 1986 c.45. Schedule 4A was inserted by section 257(2) of and Schedule 20 to the [Enterprise Act 2002 \(c.40\)](#).
- M8** S.I.1989/2405 (N.I. 19). Schedule 2A was inserted by article 13(2) of, and Schedule 5 to, S.I. 2005/455 (N.I.10)).
- M9** 1985 c.66. Sections 56A to 56K were inserted by the [Bankruptcy and Diligence etc. \(Scotland\) Act 2007 \(asp 3\)](#).
- M10** 1986 c.45. Part VIIA was inserted by section 108(1) of, and Schedule 17 to, the [Tribunals, Courts and Enforcement Act 2007 \(c.15\)](#).
- M11** Schedule 4ZB was inserted by section 108(2) of, and Schedule 19 to, the [Tribunals, Courts and Enforcement Act 2007](#).
- M12** 1986 c.45. Part IV was substituted by S.I. 2009/1941.
- M13** 1986 c.45. Schedule B1 was inserted by section 248(2) of, and Schedule 16 to, the [Enterprise Act 2002 \(c.40\)](#).
- M14** 1986 c.46. Section 1 was amended by sections 5(1) and (2) and (8) of the [Insolvency Act 2000 \(c.40\)](#), [section 204\(1\)](#) and (3) of the [Enterprise Act 2002 \(c.40\)](#) and sections 111 and 164 of, and paragraphs 1 and 2 of Schedule 7 to, the [Small Business, Enterprise and Employment Act 2015 \(c.26\)](#)
- M15** Section 1A was inserted by section 6(1) and (2) of the [Insolvency Act 2000 \(c.39\)](#), and was amended by section 111 of, and paragraphs 1, 3(1) and (2) of Schedule 7 to, the [Small Business, Enterprise and Employment Act 2015](#).
- M16** S.I. 2002/3150 (N.I. 4); as amended by S.I. 2004/347, S.I. 2005/1454 and 1455.
- M17** 1986 c.45. Section 429 was amended by section 269 of, and Schedule 3 to, the [Enterprise Act 2002](#), and section 106 of, and Schedule 16 to, the [Tribunals, Courts and Enforcement Act 2007](#).

Termination by [F1NHS England] where patients' safety is at risk or where there is risk of financial loss to [F1NHS England]

59. [F1NHS England] may give notice in writing to the contractor terminating the agreement with immediate effect from such date as may be specified in the notice if—

- (a) the contractor has breached a term of the agreement and, as a result of that breach, the safety of the contractor's patients is at serious risk if the agreement is not terminated; or
- (b) [F1NHS England] considers that contractor's financial situation is such that [F1NHS England] would be at risk of material financial loss.

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

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Termination by [F1NHS England] for unlawful sub-contracting

60.—(1) This paragraph applies if the contractor breaches the condition specified in paragraph 43(5) relating to the sub-contracting of clinical services under the agreement and it comes to the attention of [F1NHS England] that the contractor has done so.

- (2) Where this paragraph applies, [F1NHS England] must give notice in writing to the contractor—
- (a) terminating the agreement with immediate effect; or
 - (b) instructing the contractor to terminate with immediate effect the sub-contracting arrangements that give rise to the breach, and, if the contractor fails to comply with the instruction, [F1NHS England] must give notice in writing to the contractor terminating the agreement with immediate effect.

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Termination by [F1NHS England]: remedial notices and breach notices

61.—(1) Where the contractor's breach of the agreement is not one to which paragraphs 57 to 60 apply and that breach is capable of remedy, [F1NHS England] must, before taking any action it is otherwise entitled to take by virtue of the agreement, give notice in writing to the contractor requiring it to remedy the breach (a “remedial notice”).

- (2) A remedial notice must specify—
- (a) details of the breach;
 - (b) the steps that the contractor must take to the satisfaction of [F1NHS England] in order to remedy the breach; and
 - (c) the period during which those steps must be taken (“the notice period”).

(3) The notice period must not be less than a period of 28 days beginning with the date on which the notice is given unless [F1NHS England] is satisfied that a shorter period is necessary to protect—

- (a) the safety of the contractor's patients; or
- (b) itself from material financial loss.

(4) Where [F1NHS England] is satisfied that the contractor has not taken the required steps to remedy the breach by the end of the notice period, [F1NHS England] may give a further notice in writing to the contractor terminating the agreement with effect from such date as [F1NHS England] specifies in the notice.

(5) Where the contractor's breach of the agreement is not one to which any of paragraphs 57 to 60 apply, and the breach is not capable of remedy, [F1NHS England] may give notice in writing to the contractor requiring the contractor not to repeat the breach (a “breach notice”).

- (6) If, following a breach notice or a remedial notice, the contractor—
- (a) repeats the breach that was the subject of the breach notice or the remedial notice; or
 - (b) otherwise breaches the agreement resulting in either a remedial notice or a further breach notice,

[F1NHS England] may give notice in writing to the contractor terminating the agreement with effect from such date as [F1NHS England] specifies in the notice.

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(7) [F1NHS England] may not exercise its right to terminate the agreement under sub-paragraph (6) unless [F1NHS England] is satisfied that the cumulative effect of the breaches is such to allow the agreement to continue would prejudice the efficiency of the services to be provided under the agreement.

(8) If the contractor is in breach of any obligation under the agreement and a breach notice and a remedial notice in respect of that default giving rise to the breach has been given to the contractor, [F1NHS England] may withhold or deduct monies which would otherwise be payable under the agreement in respect of the obligation which is the subject matter of the default.

Textual Amendments

F1 Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Termination by [F1NHS England]: additional provisions specific to agreements with qualifying bodies

62. If [F1NHS England] becomes aware that a contractor which is a qualifying body is carrying on any business which [F1NHS England] considers to be detrimental to the contractor's performance of its obligations under the agreement—

- (a) [F1NHS England] may give notice in writing to the contractor requiring it to cease carrying on that business before the end of a period of not less than 28 days beginning with the date on which the notice is given (“the notice period”); and
- (b) if the contractor has not satisfied [F1NHS England] that it has ceased carrying on that business by the end of the notice period, [F1NHS England] may give a further notice in writing to the contractor terminating the agreement with immediate effect or from such date as is specified in the notice.

Textual Amendments

F1 Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Agreement sanctions

63.—(1) In this paragraph and in paragraph 64, “agreement sanction” means—

- (a) termination of specified reciprocal obligations under the agreement;
- (b) suspension of specified reciprocal obligations under the agreement for a period of up to six months; or
- (c) withholding or deducting monies otherwise payable under the agreement.

(2) Where [F1NHS England] is entitled to terminate the agreement in accordance with paragraph 57, 58, 59, 61(4) or (6) or 62, it may instead impose any of the agreement sanctions if [F1NHS England] is reasonably satisfied that the agreement sanction to be imposed is appropriate and proportionate to the circumstances giving rise to [F1NHS England's] entitlement to terminate the agreement.

(3) If [F1NHS England] decides to impose an agreement sanction, [F1NHS England] must—

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- (a) give notice in writing to the contractor of the agreement sanction that it proposes to impose and the date upon which that sanction is to be imposed; and
- (b) include in the notice an explanation of the effect of the imposition of the sanction.

(4) Subject to paragraph 64, [F1NHS England] may not impose the agreement sanction until the end of a period of at least 28 days beginning with the date on which [F1NHS England] gives notice to the contractor under to sub-paragraph (3) unless [F1NHS England] is satisfied that it is necessary to do so in order to protect—

- (a) the safety of the contractor's patients; or
- (b) itself from material financial loss.

(5) Where [F1NHS England] imposes an agreement sanction, [F1NHS England] may charge the contractor the reasonable costs of any additional administration that [F1NHS England] has incurred in order to impose, or as a result of imposing, the agreement sanction.

Textual Amendments

F1 Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Agreement sanctions and the NHS dispute resolution procedure

64.—(1) If there is a dispute between [F1NHS England] and the contractor in relation to an agreement sanction that [F1NHS England] is proposing to impose, [F1NHS England] may not, subject to sub-paragraph (4), impose the agreement sanction except in the circumstances specified in sub-paragraphs (2) and (3).

(2) The circumstances specified in this sub-paragraph are if the contractor—

- (a) refers the dispute relating to the agreement sanction to the NHS dispute resolution procedure before the end of the period of 28 days beginning with the date on which the contractor was given notice by [F1NHS England] in accordance with paragraph 60(4) (or such longer period as may be agreed in writing with [F1NHS England]); and
- (b) gives notice in writing to [F1NHS England] that it has done so.

(3) Where the circumstances specified in sub-paragraph (2) apply, [F1NHS England] may not impose the agreement sanction unless—

- (a) there has been a final determination of the dispute in accordance with regulation 77 (or by a court) and that determination permits [F1NHS England] to impose the agreement sanction; or
- (b) the contractor ceases to pursue the NHS dispute resolution procedure,

whichever is the sooner.

(4) If the contractor does not invoke the NHS dispute resolution procedure before the end of the period specified in sub-paragraph (2)(a), [F1NHS England] may impose the agreement sanction with immediate effect.

(5) If [F1NHS England] is satisfied that it is necessary to impose the agreement sanction before the NHS dispute resolution procedure is concluded in order to protect—

- (a) the safety of the contractor's patients; or
- (b) itself from material financial loss,

[^{F1}NHS England] may impose the agreement sanction with immediate effect, pending the outcome of that procedure (or any court proceedings).

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Termination and the NHS dispute resolution procedure

65.—(1) Where [^{F1}NHS England] is entitled to give notice in writing to the contractor terminating the agreement in accordance with paragraph 57, 58, 59, 61(4) or (6) or 62, [^{F1}NHS England] must, in the notice given to the contractor under those provisions, specify a date on which the agreement is to terminate that is at least 28 days after the date on which [^{F1}NHS England] gives notice to the contractor unless sub-paragraph (2) applies.

(2) This sub-paragraph applies if [^{F1}NHS England] is satisfied that a period of less than 28 days is necessary in order to protect—

- (a) the safety of the contractor's patients; or
- (b) itself from material financial loss.

(3) Where—

- (a) sub-paragraph (1) applies but the exceptions in sub-paragraph (2) do not apply; and
- (b) the contractor invokes the NHS dispute resolution procedure before the end of the notice period referred to in sub-paragraph (1) and gives notice in writing to [^{F1}NHS England] that it has done so,

the agreement does not terminate at the end of the notice period but instead only terminates in the circumstances described in sub-paragraph (4).

(4) The circumstances described in this sub-paragraph for the termination of the agreement are if and when—

- (a) there has been a final determination of the dispute under the NHS dispute resolution procedure (or by a court) and that determination permits [^{F1}NHS England] to terminate the agreement; or
- (b) the contractor ceases to pursue the NHS dispute resolution procedure,

whichever is the sooner.

(5) If [^{F1}NHS England] is satisfied that it is necessary to terminate the agreement before the NHS dispute resolution procedure (or any court proceedings) is concluded in order to protect—

- (a) the safety of the contractor's patients; or
- (b) itself from material financial loss,

sub-paragraphs (3) and (4) do not apply and [^{F1}NHS England] may confirm, by giving notice in writing to the contractor, that the agreement will nevertheless terminate at the end of the period of the notice given under paragraph 57, 58, 59, 61(4) or (6) or 62.

Textual Amendments

- F1** Words in Regulations substituted (6.11.2023) by [The Health and Care Act 2022 \(Further Consequential Amendments\) \(No. 2\) Regulations 2023 \(S.I. 2023/1071\)](#), reg. 1(1), **Sch. para. 1**

Status:

Point in time view as at 06/11/2023.

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to The National Health Service (Personal Medical Services Agreements) Regulations 2015. Any changes that have already been made by the team appear in the content and are referenced with annotations.