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## EXPLANATORY NOTE

*(This note is not part of the Order)*

Under section 27(1) of the Government of Wales Act 1998 (1998 c. 38), the National Assembly for Wales has the power to transfer to itself by order any or all of the functions of a Welsh health authority. Under section 27(5)(a) of the 1998 Act, where an order provides for the transfer of all of the functions of a health authority with respect to the whole of the area for which that authority acts, the Assembly may abolish that authority.

Under section 27(8) of the 1998 Act, the Assembly may make provision for the transfer of staff, property, rights and liabilities of a Welsh health authority.

The strategy document “*Improving Health in Wales*” published by the National Assembly for Wales in February 2001 signalled the intention to abolish the five existing health authorities in Wales with effect from 31st March 2003, and to delegate their functions to Local Health Boards (“LHBs”).

This Order transfers all the functions of the five Welsh health authorities to the Assembly, and abolishes all five authorities. It also effects the transfer of certain of the staff employed by health authorities either to the Assembly directly, or under the Extended Employment Scheme (“EES”) to the Powys Local Health Board. During the period of 12 months after the transfer date, those staff who have transferred to the Powys LHB under the EES but have not found other employment, may be transferred to posts in a Local Health Board or the Assembly if they are offered and accept a post.

The Order also makes provision for the transfer to the National Assembly for Wales of any property, rights and liabilities not specifically transferred to Local Health Boards.

The functions transferred to the Assembly under this Order will (subject to any exceptions) be delegated to LHBs by regulations made under section 16BB of the National Health Service Act 1977 (1977 c. 49), as inserted by section 6 of the National Health Service Reform and Healthcare Professions Act 2002 (2002 c. 17). For the extent of functions delegated to LHBs, see the Local Health Boards (Functions) (Wales) Regulations 2003 (S.I.2003/150, W.20).

LHBs will be established by order made under section 16BA of the 1977 Act, as inserted by section 6 of the 2002 Act (see the Local Health Boards (Establishment) (Wales) Order 2003 (S.I. 2003/148, W.18).