Draft Order in Council laid before the House of Commons under section 6(2) of the Government Trading Funds Act 1973, for approval by that House.

DRAFT STATUTORY INSTRUMENTS

1999 No.

GOVERNMENT TRADING FUNDS

The National Health Service Estate Management and Health Building Agency Trading Fund Order 1999

Made - - - -

Coming into force - - 1st April 1999

Whereas–

(1) It appears to the Secretary of State for Health ("the Secretary of State") that:–

(a) such of the operations of that part of the Department of Health known as the National Health Service Estate Management and Health Building Agency as are described in Schedule 1 to this Order (being operations for which he is responsible) are suitable to be financed by means of a fund established under the Government Trading Funds Act 1973(**1**) ("the 1973 Act") and, in particular, to be so managed that the revenue of the fund would consist principally of receipts in respect of goods or services provided in the course of the operations in question, and

(b) the financing of the operations in question by means of such a fund would be in the interests of the improved efficiency and effectiveness of the management of those operations.

(2) The Secretary of State having considered that the operations in question consist substantially in the provision of goods or services in the United Kingdom otherwise than to departments of Her Majesty's Government and that an opportunity to make representations to him should be given, has, in accordance with section 1(3) of the 1973 Act, taken such steps as appear to him appropriate to give an opportunity to such persons as appear to him appropriate to make representations to him and has, in accordance with section 6(4) of that Act, laid before Parliament a report about the representations received and his conclusions.

(3) In accordance with section 2 of the 1973 Act, the Secretary of State has determined with the concurrence of the Treasury what Crown assets and liabilities are properly attributable to the operations for which a fund is to be established and are suitable to be appropriated to that fund.

(4) In accordance with section 6(2) of the 1973 Act a draft of this Order has been laid before the House of Commons and has been approved by a resolution of that House: now, therefore, the Secretary of State, in exercise of the powers conferred upon him by sections 1, 2(1)(b) and (7),

(**1**) 1973 c. 63, as amended by the Government Trading Act 1990 (c. 30) ("the 1990 Act"). The 1973 Act, as so amended, is set out in Schedule 1 to the 1990 Act. Section 2 of the 1973 Act, as so amended, was further amended by section 119 of the Finance Act 1991 (c. 31).

2A(1) and 2B(6)(**2**) of the 1973 Act and all other powers enabling him in that behalf, with the concurrence of the Treasury, hereby makes the following Order:–

Citation and commencement

1. This Order may be cited as the National Health Service Estate Management and Health Building Agency Trading Fund Order 1999 and shall come into force on the 1st April 1999.

Establishment of the fund

2. As from 1st April 1999 for such of the operations of that part of the Department of Health known as the National Health Service Estate Management and Health Building Agency as are described in Schedule 1 to this Order, there shall be established a trading fund to be known as the NHS Estates Trading Fund.

Source of loans

3. The Secretary of State for Health is hereby designated as the source of issues to the fund by way of loan.

Assets, liabilities and public dividend capital

4.—(1) The Crown assets and liabilities set out in Parts I and II respectively of Schedule 2 to this Order shall be appropriated as assets and liabilities respectively of the fund, at values or amounts determined by the Secretary of State for Health in accordance with Treasury directions.

(2) 50% of the amount by which the values of those assets exceed the amounts of those liabilities shall be treated as public dividend capital.

Limitation of indebtedness

5. The maximum amount that may be issued to the fund by way of loan under section 2B of the 1973 Act shall be £3,000,000.

Signed on behalf of the Secretary of State for Health.

Minister of State,
1999 Department of Health

(**2**) Sections 2A and 2B of the 1973 Act were inserted by section 1 of the 1990 Act.