EXPLANATORY NOTE

(This note is not part of the Order)

The Order brings into force sections 5 to 10 and 17 of, and paragraphs 4 (partially) and 5(15) of Schedule 4 to the Public Appointments and Public Bodies etc. (Scotland) Act 2003 ("the Act"), relating to health service bodies.

Article 2(1) brings into force section 5(2) and (3) (which make provision as to regulation-making powers for the purposes of or in connection with the transfer and vesting of property of the Scottish Hospital Trust ("the Trust"), 7(8) (which makes provision as to regulation-making powers for the terms and conditions to apply to any loans or borrowing by a Health Board or NHS trust) and 8 (which makes provision for regulation-making powers to make a scheme for the distribution of the income from endowments held by Health Boards and NHS trusts) on 1st January 2004.

Article 2(1) also brings into force section 5(4) and (5) (which make provision as to a regulation-making power to provide for conditions on the transfer of Trust property transferred to a Health Board to another Health Board, and for transfers back) and (6) (which provides for a definition of "NHS trust") on 1st January 2004.

Article 2(2) brings into force schedule 4 paragraph 4(c) (which makes a consequential amendment to the Race Relations Act 1976) paragraph 5(15) (which amends the powers of Health Boards in Schedule 1 to the National Health Service (Scotland) Act 1978, so that Health Boards may no longer transfer certain endowments and income to the Trust for investment and management on the Health Board's behalf or borrow from the Trust against their share in the capital of the Trust) on 6th February 2004.

Article 2(3) brings into force section 5(1) for the purpose of the main transfer of property from the Scottish Hospital Trust to Health Boards under regulation 2(1) of the Scottish Hospital Trust (Transfer of Property) Regulations 2004 on 12th February 2004, and for all other purposes on 31st March 2004.

Article 2(4) brings into force sections 6 (transfer of certain property between Health Boards and NHS trusts), 7 (investment and borrowing), 9 (directions in relation to endowments) and 10 (holding of certain property by NHS trusts and Health Boards) on 12th February 2004.