



# National Financial Regulations B-6 Section 38 and Section 39 Arrangements

Frequently Asked Questions

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## NFR B-6 Section 38 and Section 39 Arrangements

### 1.1 What services does the funding in B6 apply to?

HSE staff involved in the management and administration of health and personal social services and related funding provided by non-statutory agencies.

All non-statutory agencies receiving funding from the HSE for the provision of personal health and social services. This includes voluntary, commercial, private and out of state agencies. This includes all funding sources including any special schemes where the HSE is the funder.

### 1.2 What services does the funding in B6 NOT apply to?

Commercial contracts such as cleaning, catering, agency staff services and taxi services. Any queries on the scope of this NFR should be referred to the Compliance Unit [compliance@hse.ie](mailto:compliance@hse.ie). For more, please see [Compliance Unit and documentation](#)

### 1.3 What are the Section 38 funding arrangements?

Section 38 funding arrangements relates to the Agencies provided with funding under [Section 38 \(1\)](#) of the Health Act 2004. The Executive may, subject to its available resources and any directions issued by the Minister under [section 10](#), enter, on such terms and conditions as it considers appropriate, into an arrangement with a person for the provision of a health or personal social service by that person on behalf of the Executive.

### 1.4 What are the Section 39 funding arrangements?

Section 39 funding arrangements relates to Community, Voluntary and Not for Profit Agencies begin funded under [Section 39 \(1\)](#) of the Health Act 2004 to deliver health and

social care services. The Executive may, subject to any directions given by the Minister under [section 10](#) and on such terms and conditions as it sees fit to impose, give assistance to any person or body that provides or proposes to provide a service similar or ancillary to a service that the Executive may provide.

### 1.5 What are the approval thresholds for service arrangements or grant aid agreements?

The following table outlines the approved thresholds to sign service arrangements or grant aid agreements:

Voluntary/ For Profit funding released under a Service Arrangement and Grant Aid Agreement	
Title	Financial Authority
Grade VIII	Up to €250k
General Managers	Up to €1m
Head of Service or Head of Function CHO, Hospital Group Assistant National Director Corporate	Up to €3m
CEO Hospital Group Chief Officers CHO National Director Corporate	Up to €5m
National Director of Acute Operations National Director of Community Operations	Above €5m

### 1.6 How is all funding and services managed?

All funding and services are managed according to the [Performance and Accountability Framework](#).

### 1.7 How are Grant Aid Agreements and Contract Change Notes generated?

Grant Aid Agreements and Contract Change Notes are generated through the [Service Provider Governance \(SPG\)](#) System.

### 1.8 What is the deadline for completion of Service Agreements and Grant Aid Agreements?

The deadline for completion of Service Agreements and Grant Aid Agreement is the 28 of February each year.

### 1.9 Can HSE staff act as Directors of non-statutory agencies where HSE has an arrangement or Grant Aid Agreements?

HSE personnel should not be appointed as Directors of non-statutory agencies with which the HSE has an arrangement or Grant Aid Agreement in place. This is due to the potential for conflicts of interest which may undermine the integrity of the service relationship. Please refer to NFR A – Internal Control Environment for further details.