# POLICY NOTE

# THE NATIONAL ASSISTANCE (ASSESSMENT OF RESOURCES) AMENDMENT (SCOTLAND) REGULATIONS 2026

## SSI 2026/42

The above instrument was made in exercise of the powers conferred by section 22(5) of the National Assistance Act 1948. The instrument is subject to negative procedure and will come into force on 6 April 2026 in line with changes to the Department for Work and Pensions benefit and pension rates.

## Summary Box

Purpose of the instrument:

To increase the value of savings credit disregard from £8.50 to £8.95 for a single person and from £12.60 to £13.25 for a couple in line with average earnings which is currently forecast at 4.8%.

To increase the lower capital limit from £22,000 to £22,750 and the upper capital limit from £35,500 to £36,750 in line with CPI forecast at 3.8%.

## Policy Objectives

*Capital Limits*

The background is that under section 22 of the National Assistance Act 1948 ("the 1948 Act") as applied by section 87(3) and (4) of the Social Work (Scotland) Act 1968, local authorities are required to charge residents in residential accommodation an appropriate contribution towards the cost of their residential accommodation (excluding any entitlement to free nursing and personal care under the Community Care and Health (Scotland) Act 2002 and associated regulations).

Section 22(5) of the 1948 Act provides that, in assessing a resident's ability to pay, the local authority shall apply regulations made by the Secretary of State. The applicable regulations are the National Assistance (Assessment of Resources) Regulations 1992 (S.S.I. 1992/2977) ("the 1992 Regulations"). By virtue of section 53(1) of the Scotland Act 1998, the functions of making and amending the 1992 Regulations as regards Scotland are devolved to the Scottish Ministers.

The National Assistance (Assessment of Resources) Amendment (Scotland) Regulations 2025 amended the capital limits so that anyone with capital above the upper capital limit, including property, must meet his or her remaining accommodation costs (over and above any entitlement to free personal care and nursing care) in full. Where the capital falls between upper and lower capital limits the local authority must assist the resident in meeting the cost of the accommodation. Capital under the lower capital limit is not taken into account in assessing a contribution.

Annual increases to capital limits are increased in line with the Consumer Price Index (CPI), currently estimated to be 3.8%, and rounded to the closest £250. In line with this, the

National Assistance (Assessment of Resources) Amendment (Scotland) Regulations 2026 increases the upper capital limit from £35,500 to £36,750 and increases the lower capital limit from £22,000 to £22,750.

*Savings Credit Disregard*

The 1992 Regulations set out a number of different types of income that are to be disregarded when a local authority assesses a resident's income for the purpose of charging. Since the introduction of the State Pension Credit Act 2002 this has included a sum where a resident is in receipt of savings credit. These Regulations increase the maximum weekly savings credit disregard from £8.50 to £8.95 for a single resident and from £12.60 to £13.25 for couples. These increases are in line with the increase in average earnings (4.8%).

## UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

The Scottish Ministers have made the following statement regarding children's rights:

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, the National Assistance (Assessment of Resources) Amendment (Scotland) Regulations 2026 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

## EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

## Consultation

Annual rises in the rates referred to above are routine. Prior to bringing these Regulations forward, the Cabinet Secretary for Health and Social Care and COSLA have been consulted.

## Impact Assessments

A Child Rights and Wellbeing Impact Assessment has been completed on the National Assistance (Assessment of Resources) Amendment (Scotland) Regulations 2026. This impact assessment identified no children's impact issues.

No Business and Regulatory Impact Assessment is required because the present instrument will not impose new regulatory burdens on businesses, charities or the voluntary sector compared with 2025/26.

## Financial Effects

The Minister for Social Care, Mental Wellbeing and Sport confirms that no BRIA is necessary as the instrument has no financial effects on the Scottish Government, local government or on business.

Scottish Government
Social Care and National Care Service Development Directorate
January 2026