EXPLANATORY MEMORANDUM TO

THE NATIONAL HEALTH SERVICE (TRAVEL EXPENSES AND REMISSION OF CHARGES) AMENDMENT REGULATIONS 2006

2006 No. 1065

1. This explanatory memorandum has been prepared by Department of Health and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 These regulations contain amendments to the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Background

4.1 These regulations amend the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 to increase the capital limit at which people aged 60 and over may receive help through the National Health Low Income Scheme (by means of certain NHS charges being remitted and NHS travel expenses being paid) from £12,000 to £16,000. It increases the upper capital limit at which those living permanently in care home accommodation may receive help through the National Health Low Income Scheme from £20,500 to £21,000 and increase the lower limit from £12,500 to £12,750

5. Extent

5.1 This instrument applies to England.

6. European Convention on Human Rights

As the instrument is subject to the negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

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7.1 The calculation of entitlement to means tested help with health costs is, largely, based on income support provisions with a ceiling on capital. The upper capital threshold for entitlement to Income Support increases in accordance with S.I. 2005/2465 from £12,000 to £16,000. The changes being made by this instrument to the National Health Service (Travel Expenses and Remission of Charges) Regulations

2003 are necessary to keep the calculation of entitlement under the National Health Service Low Income Scheme in line with the Income Support (General) Regulations 1987 in respect of those aged 60 and over.

7.2. In the case of people living permanently in care homes, the capital limit is aligned with that applied by local authorities in calculating help with the home charges, rather than income support. The change increases the capital limit in line with increases that will apply to care home charges. The change also maintains the policy that permits calculation of entitlement for people aged 60 and over to be based on Pension Credit Guarantee Credit rates. This instrument increases the upper capital limit from £20,500 to £21,000 and the lower capital limit from £12,500 to £12,750, in line with S.I. 2006/674.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

9. Contact

Eleanor Shenton at the Department of Health Tel: 020 7972 2923 or e-mail: eleanor.shenton@dh.gsi.gov.uk can answer any queries regarding the instrument.