

EXECUTIVE NOTE

The National Health Service (Travelling Expenses and Remission of Charges) (Scotland) Amendment (No. 3) Regulations 2007 SSI/2007/391

The above instrument is made in exercise of the powers conferred on Scottish Ministers by sections 75A, 105(7) and 108(1) of the National Health Service (Scotland) Act 1978 and all powers enabling them to do so.

Policy objectives

1. The purpose of these regulations is to amend the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (“the principal Regulations”) to change the way voluntary payments received by students are treated when calculating entitlement to help with health costs through the NHS Low Income Scheme (LIS).
2. These regulations also amend the definition of “the 2007 Regulations” to reflect the consolidation of the National Health Service (Charges for Drugs and Appliances) (Scotland) Regulations on 1st October 2007.
3. In addition, consequential amendments have been made because of the repeal of the Education (Student Loans) (Scotland) Regulations 2000 and their replacement by the Education (Student Loans) (Scotland) Regulations 2007 on 1st August 2007.

NHS LIS: Disregard of Voluntary Payments

4. Means-tested entitlement to help with health costs is available through the NHS LIS to claimants who are not automatically entitled to full help through receipt of a passporting benefit such as income support. In the main, the LIS provisions rely on the Income Support (General) Regulations (IS Regulations) for the calculation of income, capital and requirements. However, the IS Regulations are modified whenever it is necessary to implement the policy in respect of LIS entitlement.
5. Department for Work and Pensions (DWP) have amended the IS regulations to provide that all voluntary payments should be disregarded in full. For LIS purposes, the policy is that no disregard is applicable in respect of a voluntary payment received by a student when the payment is made by a person whose means would be assessed by an education authority in deciding entitlement to a grant or loan. Voluntary payments from other sources attract a maximum £20 per week disregard.
6. These regulations re-introduce the £20 disregard where it applied previously in the LIS. Amendments have been made to Table A in the schedule of the principal Regulations to change the treatment of voluntary payments received by students when calculating entitlement to help with health costs through the LIS.

Financial Implications

7. A significant number of LIS claims are from students who receive voluntary payments. Some of these payments attracted a £20 disregard prior to the DWP amendment, so some students will have received more help than they did before. These regulations restore

the LIS position so that a maximum £20 per week disregard is applied to calculation of entitlement in respect of claims for students.

8. The policy intention is to stop any windfall benefit to students and reduce costs to the NHS. This amendment to the NHS LIS provisions is being applied across the UK to ensure equity of treatment for all claimants. LIS claimants who are not students will continue to receive the full benefit of any voluntary payments they receive.

Scottish Executive Health Directorate
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