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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make further amendments to the National Assistance (Assessment of Resources) Regulations 1992 (“the principal Regulations”).

The principal Regulations concern the assessment of the ability of a person (“the resident”) to pay for accommodation arranged by local authorities under Part III of the National Assistance Act 1948. Part III accommodation is arranged for persons aged 18 or over who by reason of age, illness, disability or any other circumstances, are in need of care and attention which is not otherwise available to them, and for expectant and nursing mothers in similar need.

The principal Regulations provide that no resident shall be assessed as unable to pay for Part III accommodation at the standard rate if that resident’s capital, calculated in accordance with the principal Regulations, exceeds £16,000. These Regulations amend the principal Regulations to increase the capital limit from £16,000 to £18,500. The principal Regulations also provide for the calculation of a resident’s income to take account of capital which is treated as equivalent to income. These Regulations amend the upper and lower limits of such capital between which each complete £250, or any part which is not a complete £250, is treated as equivalent to a weekly income of £1. The Regulations also introduce further categories of capital to be disregarded in the assessment of a resident’s resources. The value of any dwelling that would otherwise be occupied by the resident as his or her only or main residence is to be disregarded for a period of 12 weeks in the circumstances specified in the Regulations. In addition the Regulations provide for a disregard of payments made under a trust established out of funds provided by the Secretary of State for Health in respect of persons who suffered or are suffering from variant Creutzfeldt-Jakob disease.