

EXPLANATORY MEMORANDUM TO
THE NATIONAL HEALTH SERVICE (TRAVEL EXPENSES AND REMISSION OF
CHARGES) (AMENDMENT No. 2) REGULATIONS 2007

2007 No. 2590

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

2. Description

These Regulations amend the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003.

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

None.

4. Legislative Background

These Regulations amend the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 to limit the amount of voluntary payments to a student that can be disregarded for the purpose of calculating that student's entitlement to the payment of NHS travel expenses and the remission of NHS charges.

5. Extent

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

National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (The TERC Regulations)

7.1 The TERC Regulations provide that people receiving income support, income based jobseekers allowance, pension credit guarantee credit and working tax credit with child tax credit or child tax credit on its own (where gross annual income for tax credit purposes is below £15,050) are automatically entitled to free prescriptions, dental treatment, wigs and fabric supports and sight tests, full value of optical

vouchers and payment of travel costs to hospital. That is, they are “passported” to entitlement.

7.2 The TERC Regulations also provide a “safety net” known as the National Health Service Low Income Scheme. Help from the scheme is income related and based on an assessment of a person’s ability to pay in the light of their financial resources at the time a claim is made or charge was paid. The calculation of entitlement is based on Income Support arrangements, plus net housing costs and council tax where a person is personally liable to pay. Any resources a person receives may be taken into account in full, completely ignored (disregarded) or disregarded up to a certain amount, as set out in the Income Support Regulations. The TERC Regulations also allow for modification of the Income Support (General) Regulations 1987 in calculating entitlement for Low Income Scheme purposes.

7.3 These amending Regulations modify the Income Support (General) Regulations 1987 in their application to the TERC Regulations. A recent amendment to the Income Support Regulations (SI 2006/2378) removed a £20 limit on the amount of disregard applied to voluntary payments when calculating a person’s income for the purposes of Income Support. This also applies to any assessment under the Low Income Scheme. A modification is already in place to fully take into account any payment to a student from a person whose income would be assessed if an application for a student grant or loan were made (in most cases this would be a student’s parent or guardian). The policy intention is that in relation to determining entitlement under the Low Income Scheme, to reinstate the £20 disregard for any voluntary payment made to a student by a person whose income would not be assessed if an application for a loan or grant were made. This is subject to a maximum disregard in relation to a voluntary payment to a student by such a person of £20 per week.

7.4 We do not normally consult on changes to Regulations relating to the payment of NHS travel expenses and the remission of NHS charges relating to entitlement to NHS charges under the Low Income Scheme. The Low Income Scheme is publicised in leaflet HC11 Help with Health Costs.

8. Impact

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

9. Contact

Gina Jones at the Department of Health Tel: 020 7972 2954 or e-mail: Gina.Jones@dh.gsi.gov.uk can answer any queries regarding the instrument.