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 determine the way that local authorities assess the ability of a person to pay for the accommodation which local authorities arrange under Part 3 of the National Assistance Act 1948.

Regulation 2 increases the capital limits in the Principal Regulations. The upper capital limit sets the amount of capital above which a resident is not eligible for local authority support. The lower capital limit sets the amount below which a resident is not required to contribute to his or her accommodation from capital.

Regulation 3 makes amendments to Schedule 3 of the Principal Regulations which sets out certain sources of income which local authorities must disregard. The levels of savings credit disregard are raised from £4.75 to £4.85 in the case of a single person and from £6.95 to £7.20 in the case of a resident with a partner. There is a new disregard for payments made under the arrangements to support "special guardians" under section 14F of the Children Act 1989.

Regulation 4 amends Schedule 4 of the Principal Regulations so that payments made to "special guardians" are also disregarded as capital.