

To: Chief Executives of HSS Boards
& Trusts;

Copies to: Directors of Finance,
Directors of Social Services of HSS
Boards and Trusts



Department of

**Health, Social Services
and Public Safety**

An Roinn

**Sláinte, Seirbhísí Sóisialta
agus Sábháilteachta Poiblí**

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Circular ECCU 2/2006

27 March 2006

Charges for Residential Accommodation

The Health and Personal Social Services (Assessment of Resources) (Amendment) Regulations (Northern Ireland) 2006 (SR 103)

1. Introduction

This circular advises of amendments to the Health and Personal Social Services (Assessment of Resources) Regulations (Northern Ireland) 1993 that come into operation on **10 April 2006**. These regulations govern how income and capital resources are to be calculated for the purpose of assessing a person's ability to pay for residential or nursing home care arranged by a Health and Social Services Board by virtue of Articles 15 and 36 of the 1972 Order.

A copy of the Health and Personal Social Services (Assessment of Resources) (Amendment) Regulations (Northern Ireland) 2006 which come into operation on 10 April 2006 are enclosed with this circular.

2. Summary

This circular advises of:

- i. increases in capital limits from £12,500 (lower) and £20,500 (upper) to **£12,750 (lower)** and **£21,000 (upper)**, coming into operation on 10th April 2006;
- ii. increases in the amount of savings credit disregard from £4.85 to **£5.05 for individuals** and from £7.20 to **£7.50 for couples**, coming into operation from 10th April 2006; and
- iii. introduces an automatic disregard for any payments made under Regulations made under Article 9 of the Age-Related Payments (Northern Ireland) Order 2004;
- iv. amendments to the regulations to take into account the Civil Partnerships Act 2004;

It also advises of:

- v. an increase in the Personal Expenses Allowance to **£19.60**.

The Annex contains fuller details.

3. Action

HSS Trusts are asked to implement the above changes with effect from 10th April 2006.

4. Enquiries

Any enquiries relating to this letter should be directed to:

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Elderly and Community Care Unit
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Castle Buildings
Belfast BT4 3SQ
Tel: 028 9052 2471.

Ray Martin
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Capital Limits

1. Capital limits in the financial assessment for residential accommodation are increased from £12,500 (lower) and £20,500 (upper) to £12,750 (lower) and £21,000 (upper) with effect from 10th April 2006. These amounts may be increased in April each year to ensure that the capital limits keep pace with inflation. The Health and Personal Social Services (Assessment of Resources) (Amendment) Regulations (Northern Ireland) 2006 implement the new limits.

Pension Credit - savings credit disregard

2. The Assessment of Resources Regulations, as amended in October 2003, introduced a new savings disregard in response to the introduction of Pension Credit. The weekly savings disregard for Pension Credit is increased from £4.85 to £5.05 for individuals and from £7.20 to £7.50 for couples with effect from 10th April 2006, this continues to apply not only to people in receipt of savings credit but also to those with incomes above the savings credit threshold.

Age-Related Payments

3. Age-Related Payments were first paid to pensioners aged 70 years and over in November 2004 and extended to those over 65 years in November 2005. The Government has not decided if similar payments will be made annually. However, the Health and Personal Social Services (Assessment of Resources) (Amendment) Regulations (Northern Ireland) 2006 allow for any Age-Related Payments made under Regulations made under Article 9 of the Age-Related Payments (Northern Ireland) Order 2004 to be disregarded as income or capital with effect from 10th April 2006 in the event that these payments are repeated.

Civil Partnership Act 2004

4. The Civil Partnerships Act 2004 which came into force on 5th December 2005 enables same-sex couples to obtain legal recognition of their relationship by forming a civil partnership. Civil partners will be subject to many of the same legal rights and responsibilities as spouses. The amended regulations ensure that civil partners are treated in the same or similar way as spouses for the purposes of charging for residential accommodation.

Personal Expenses Allowance (PEA)

5. The new PEA prescribed amount, from 10 April 2006, is £19.60. It applies to everyone receiving means-tested support from HSS Trusts for residential or nursing home care. Boards and Trusts are reminded that the PEA is a small weekly allowance that is disregarded so that it may be used by residents to spend each week as they wish on personal items and other direct expenses. Pressure of any kind to the contrary is not acceptable, as residents should not be required to spend their PEA in particular ways.