

**EXPLANATORY MEMORANDUM TO**  
**THE NATIONAL HEALTH SERVICE (CHARGES FOR DRUGS AND**  
**APPLIANCES) AND (TRAVEL EXPENSES AND REMISSION OF CHARGES)**  
**AMENDMENT REGULATIONS**

**2006 No. 675**

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

**2. Description**

2.1 These Regulations contain a range of amendments to the National Health Service (Charges for Drugs and Appliances) Regulations 2000 and the National Health Service (Travel and Expenses and Remission of Charges) Regulations 2003.

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

3.1 None

**4. Legislative Background**

4.1 These regulations

(a) amend the National Health Service (Charges for Drugs and Appliances) Regulations 2000 to increase the prescription charge per item from £6.50 to £6.65, to increase the charges for prescription pre-payment certificates, wigs and fabric supports by the same percentage as the increase in the prescription charge and to amend the definition of both a prescription form and a supplementary prescriber.

(b) amend the National Health Service (Travel and Expenses and Remission of Charges) Regulations 2003 (“the 2003 Regulations”) to increase the capital limit at which people may receive help through the National Health Low Income Scheme from £8,000 to £16,000 and to clarify that the calculation as to whether a person is entitled to part payment of travel expenses under regulation 6(1)(b)(i) of the 2003 Regulations is made by reference to the travel expenses incurred in any week.

**5. Extent**

5.1 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

### Prescription Charges

7.1 The National Health Service (Charges for Drugs and Appliances) Regulations 2000 provide for NHS prescription charges to be recovered from patients for the supply of drugs or appliances. The change increases the current prescription charge by 15p and will help maintain the contribution charges make to NHS funding. The increases in the other charges made by these Regulations are in line with the rate of increase in the prescription charge. These increases closely reflect the current inflation rate.

### Increase in Capital Limit

7.2 The capital limit threshold for Income Support will increase in accordance with S.I. 2005/2465 from £3,000 to £6,000. In addition, the upper capital threshold for Income Support will increase in accordance with S.I. 2005/2465 from £8,000 to £16,000. The changes being made by this instrument to the National Health Service (Travel and Expenses and Remission of Charges) Regulations 2003 are necessary to keep the calculation of entitlement under the National Health Service Low Income Scheme in line with the Income Support (General) Regulations 1987.

## 8. Impact

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

8.2 The impact on the public sector is in terms of increased costs to the exchequer. These in turn are limited to the cost of increasing the tax credit limit level for entitlement in line with the rate of inflation.

8.3 The cost to the public is an additional 15p per prescribed item dispensed to those who are not entitled to free prescriptions. The additional cost per prepayment certificate or appliance is in the table.

Item	Current Charges	All increased pro-rata with 15p increase in prescription charge
Prescription	£6.50	£6.65
12 month PPC	£93.20	£95.30
4 Month PPC	£33.90	£34.65
Surgical brassiere	£21.80	£22.30
Abdominal or spinal support	£33.00	£33.75
Stock modacrylic wig	£53.90	£55.10
Partial human hair wig	£142.30	£145.55
Full bespoke human hair wig	£208.10	£212.85

## 9. Contact

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