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STATUTORY INSTRUMENTS

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**1992 No. 2977**

**The National Assistance (Assessment  
of Resources) Regulations 1992**

**PART III**

**TREATMENT OF CAPITAL**

**Notional capital**

**25.**—(1) A resident may be treated as possessing actual capital of which he has deprived himself for the purpose of decreasing the amount that he may be liable to pay for his accommodation except—

- (a) where that capital is derived from a payment made in consequence of any personal injury and is placed on trust for the benefit of the resident; or
- (b) to the extent that the capital which he is treated as possessing is reduced in accordance with regulation 26.

(2) Subject to paragraph (3), a resident may be treated as possessing any payment of capital which would be treated as capital possessed by a claimant of income support under paragraph (2) or (3) of regulation 51 of the Income Support Regulations<sup>(1)</sup> (notional capital).

(3) For the purposes of paragraph (2)—

- (a) regulation 51(2) of the Income Support Regulations shall apply as if for the reference to Schedule 10 to those Regulations there were substituted a reference to Schedule 4 to these Regulations; and
- (b) regulation 51(3)(a)(ii) of the Income Support Regulations shall apply as if for the words from “the food, ordinary” to the end of sub-paragraph (a)(ii) there were substituted the words “any item which was taken into account when the standard rate was fixed for the accommodation provided”.

(4) A resident shall be treated as possessing any payment of capital made or due to be made to a local authority by a third party pursuant to an agreement between the local authority and the third party made in connection with the liability of the resident to pay the local authority for his accommodation.

(5) Where a resident is treated as possessing capital under any of paragraphs (1), (2) or (4), the foregoing provisions of this Part shall apply for the purposes of calculating its amount as if it were actual capital which he does possess.

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<sup>(1)</sup> Amended by regulation 22(a) of S.I. 1988/663; regulation 12(a) of, and paragraph 4 of Schedule 1 to, S.I. 1988/1445; paragraph 7 of Schedule 1 to S.I. 1989/534; regulation 3(3)(c) of S.I. 1990/127; regulation 5(5) of S.I. 1991/1175; regulation 9 of S.I. 1991/1559; and regulation 6(5) of S.I. 1992/1101.