

Draft Order laid before Parliament under section 10(6) of the Armed Forces (Pensions and Compensation) Act 2004, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2013 No. 000

PENSIONS

**The Armed Forces and Reserve Forces (Compensation Scheme)
(Consequential Provisions: Primary Legislation) Order 2013**

Approved by both Houses of Parliament

Made - - - - 2013
Coming into force - - 8th April 2013

The Secretary of State makes the following Order in exercise of the powers conferred by sections 1(2), 10(3) and (4) of the Armed Forces (Pensions and Compensation) Act 2004⁽¹⁾.

In accordance with section 10(6) of that Act, a draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament.

Citation and commencement

1. This Order may be cited as the Armed Forces and Reserve Forces (Compensation Scheme) (Consequential Provisions: Primary Legislation) Order 2013 and comes into force on 8th April 2013.

Amendment of the Transport Act 1982

2. In section 70 (payments in respect of applicants for exemption from wearing seat belts)⁽²⁾ of the Transport Act 1982⁽³⁾, in subsection (2) after paragraph (ab) insert—

“(ac) those in receipt of armed forces independence payment under the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011 ([S.I. 2011/517](#));”.

Amendment of the Social Security Contributions and Benefits Act 1992

3.—(1) The Social Security Contributions and Benefits Act 1992⁽⁴⁾ is amended as follows.

(1) 2004 c.32.
(2) Section 70(2) was amended by the Welfare Reform Act 2012 (c.5) section 91, schedule 9, paragraph 1.
(3) 1982 c.49.
(4) 1992 c.4.

(2) In section 70 (carer’s allowance)(**5**), in subsection (2) after “standard or enhanced rate” insert “or armed forces independence payment under the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011 ([S.I. 2011/517](#))”.

(3) In section 148 (entitlement of pensioner to Christmas bonus)(**6**), after subsection (2) insert—

“(2ZA) In a case where a person is entitled to a payment of armed forces independence payment, the reference in subsection (1) to section 1 of the Administration Act is to be read as a reference to article 43 of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011 ([S.I. 2011/517](#)).”.

(4) In section 150 (interpretation of Part 10)(**7**)—

(a) in subsection (1), after paragraph (bb) insert—

“(bc) armed forces independence payment;”;

(b) in subsection (2), before the definition of “attendance allowance” insert—

““armed forces independence payment” means armed forces independence payment under the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011 ([S.I. 2011/517](#));”.

Date

Minister of State
Ministry of Defence

(5) Section 70 was amended by [S.I 2002/1457](#) and 2013/[].

(6) There are amendments to section 148 not relevant to this Order.

(7) Section 150 was amended by the Welfare Reform Act 2012 ([c.5](#)) section 91, schedule 9, paragraphs 3 and 6.

EXPLANATORY NOTE

(This note is not part of the Order)

The provisions contained in this Order are made to give full effect to section 1(2) of the Armed Forces (Pensions and Compensation Scheme) Act 2004 (c.32) consequential upon the Armed Forces and Reserve Forces (Compensation Scheme) (Amendment) Order 2013 (S.I. 2013/) (“2013 Order”) which amends the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011 (S.I. 2011/517) (“2011 Order”). Both Orders are made under that section. The 2011 Order provides for a scheme of compensation payments to be payable to or in respect of a person by reason of illness or injury (whether physical or mental), or death, which is caused (wholly or partly) by service in the armed forces or the reserve forces. The 2013 Order provides for a new payment called the armed forces independence payment under the Scheme.

Article 2 of the Order amends section 70(2) (payments in respect of applicants for exemption from wearing seat belts) of the Transport Act 1982 (c.49). The amendment provides for those in receipt of armed forces independence payment to be a class mentioned in the section to whom the Secretary of State may make payments out of money provided by Parliament in respect of examinations for medical certificates required as a condition of any exemption relating to the wearing of seatbelts.

Article 3 of the Order amends section 70(2) (carer’s allowance), section 148 (entitlement of pensioner to Christmas bonus) and section 150(1) (interpretation of Part X) of the Social Security Contributions and Benefits Act 1992 (c.4). The amendment of section 70(2) provides that the definition of a “severely disabled person” for the purpose of carer’s allowance includes a person in receipt of armed forces independence payment. The amendment of section 148 modifies section 148(1) in its application to armed forces independence payment, so that the reference to section 1 of the Social Security Administration Act 1992 (c.5) is to be read instead as a reference to article 43 of the 2011 Order. The amendment of section 150(1) provides for armed forces independence payment to be a qualifying benefit for the purposes of Part X (Christmas bonus for pensioners) of that Act.