EXPLANATORY MEMORANDUM TO

THE PERSONAL INJURIES (CIVILIANS) AMENDMENT SCHEME 2008

2008 No. 592

1. This explanatory memorandum has been prepared by the Ministry of Defence and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 The Personal Injuries (Civilians) Amendment Scheme 2008 "the instrument" amends The Personal Injuries (Civilians) Scheme 1983 ("the PI(C)S"). It provides for the annual inflation-based increase in the rates of pensions and allowances payable under the PI(C)S.

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

3.1 The committee has previously expressed concern as to when the PI(C)S will be consolidated. The PI(C)S, made under the Personal Injuries (Emergency Provisions) Act 1939, applies only to injuries arising from the Second World War. There are now only around 1,750 disablement pensioners receiving compensation under the PI(C)S and the number is dropping at the rate of about ten per cent. a year. The Department recognises the need to consolidate the PI(C)S, but in view of the small and reducing number of beneficiaries under the scheme and of other demands on limited resources, the Department regrets that it has not yet been able to undertake this extensive piece of work.

4. Legislative Background

- 4.1 The PI(C)S is made under sections 1 and 2 of Personal Injuries (Emergency Provisions) Act 1939. The Act provides that the Minister, with the approval of the Treasury, may make a scheme to make payments to civilians and civil defence volunteers who suffered war injuries during the 1939 to 1945 war.
- 4.2 The functions were exercised originally by the Minster of Pensions and National Insurance and subsequently transferred to the Minister of Social Security, the Secretary of State for Social Services and the Secretary of State for Social Security. The functions were transferred to the Secretary of State for Defence by the Transfer of Functions (War Pensions etc) Order 2001 S. I. 2001/3506, article 2.
- 4.3 Amendments are made to the PI(C)S every year to uprate the pensions and allowances payable.

5. Extent

5.1 The instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

- 7.1 It is the Department's policy to increase pensions and allowances payable under the PI(C)S in line with inflation as measured by the retail prices index.
- 7.2 Formal consultation in accordance with the Cabinet Office Code of Practice on Consultation was considered. However, given the nature of the changes, namely an annual increase in line with inflation, and in view of the fact that they are wholly beneficial to war pensioners, consultation was not considered necessary. The MoJ, the President of the Pensions Appeal Tribunals and members of the Central Advisory Committee will be formally notified of these changes in writing. All war pensioners will be notified of the annual increase by letter.

8. Impact

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

9. Contact

9.1 **Mrs S J McIntosh** at the Ministry of Defence Tel: 020 7218 0564 or email <u>sue.mcintosh641@defence.gsi.gov.uk</u> can answer any queries regarding the instrument.