

EXPLANATORY MEMORANDUM TO
THE PERSONAL INJURIES (CIVILIANS) SCHEME (AMENDMENT) ORDER 2010

2010 No. 283

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

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. **Purpose of the instrument**

- 2.1 The Personal Injuries (Civilians) Scheme (PI(C)S) makes provision for the payment of pensions and allowances to or in respect of civilians who were killed or injured during World War Two as a result of actions by the enemy or in the performance of civil defence duties.

- 2.2 This instrument provides for the annual increase in rates of pension and allowances payable under the scheme. The increase is in line with that being applied to Department for Work and Pensions (DWP) benefits.

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. This is addressed at paragraph 7.5 of this memorandum.

4. **Legislative Context**

- 4.1 The PI(C)S is related to the Order for the main war pension scheme (The Naval, Military and Air Force Etc. (Disablement and Death) Service Pensions Order), otherwise known as the SPO.

- 4.2 The uprating of the SPO is covered by a separate instrument.

- 4.3 War pensions and allowances are traditionally uprated each year and this has been approved by Treasury Commissioners.

5. **Territorial Extent and Application**

- 5.1 This 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

- *What is being done and why*

7.1 This instrument provides for the annual increase in rates of pension and allowances payable under the scheme. There are no amendments to any of the articles.

7.2 Since 1979, and in line with the policy adopted for uprating DWP state benefits, it has been the practice to use the Retail Prices Index (RPI) for the month of September in a current financial year to calculate increases in war pension and allowance rates for the following year.

7.3 The RPI in September 2009 was negative at -1.4%. It has therefore been necessary to use an exchange of letters with HM Treasury to determine uprating policy this year.

7.4 The basic war pension will rise by 1.5% together with the vast majority of allowances payable with the war pension and war widow(er)s pension.

- *Consolidation*

7.5 The PI(C)S, made under the Personal Injuries (Emergency Provisions) Act 1939, applies only to injuries arising from World War Two. There are now only around 1480 disablement pensioners receiving compensation under the PI(C)S and the number is dropping at the rate of between five and ten per cent a year. The scheme is exceptional amongst war pensions instruments in that not only is it restricted to injuries during a specific time in history but there is also a time limit of three months for making first claims under the scheme. MOD 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, regrettably it has not yet been able to undertake this extensive piece of work.

8. Consultation outcome

8.1 No consultation was required as MOD is not seeking to amend any articles in the PI(C)S this year.

9. Guidance

9.1 All pensioners will be notified of the annual increase in the rates of pension and allowances by letter.

10. Impact

10.1 There is no impact on business, charities or voluntary bodies.

10.2 There is no impact on the public sector.

10.3 An Impact Assessment has not been prepared for this instrument as no impact on the private or voluntary sectors is foreseen.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 The only amendments to the scheme this year are the annual increases in rates of pension and allowances payable under the scheme. No amendments have been made to any of the articles. However the scheme is continually monitored and reviewed.

13. Contact

James Longworth at the Ministry of Defence tel: 020 7218 0377 or email: CLS-LegC@mod.uk can answer any queries regarding the instrument.