
STATUTORY INSTRUMENTS

2020 No. 1298

The Armed Forces Redundancy Scheme Order 2020

PART 3

Amendment of the Armed Forces Redundancy Scheme 2006

Amendment of the Armed Forces Redundancy Scheme Order 2006

3. The Armed Forces Redundancy Scheme Order 2006(1) (“the AFRS 2006 Order”) is amended in accordance with articles 4 to 8.

Commencement Information

II [Art. 3](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Amendment of article 3 of the AFRS 2006 Order

- 4.** In article 3 (interpretation), insert at the appropriate place in alphabetical order—
- ““AFPS 2015” means the pension scheme established by the Armed Forces Pension Regulations 2014(2);
- “flexible service” means one or both of the following types of service—
- (a) part-time service;
 - (b) restricted separation service,
- and references to a member serving on flexible terms must be construed accordingly;
- “part-time service” means—
- (a) for enlisted members, a period of service where the member is serving in accordance with an arrangement provided for in regulations made under section 329(2)(ha)) of the Armed Forces Act 2006(3);
 - (b) for members who are officers, a period of service on equivalent terms of service;
- “restricted separation service” means—
- (a) for enlisted members, a period of service where the member is serving in accordance with an arrangement which does not restrict the member’s service in a particular area but does make it subject to other geographic restrictions provided for in regulations made under section 329(2)(i) of the Armed Forces Act 2006(4);
 - (b) for members who are officers, a period of service on equivalent terms of service;
- “service reduction percentage” has the meaning given by article 3A;”.

(1) [S.I. 2006/55](#) as amended by [S.I. 2007/2608](#) and [2011/208](#); there are other amending instruments but none is relevant.

(2) [S.I. 2014/2336](#).

(3) [2006 c. 52](#): section 329(2)(ha) was inserted by the Armed Forces (Flexible Working) Act [2018 \(c.2\)](#), section 1(3)(a).

(4) Section 329(2)(i) was substituted by the Armed Forces (Flexible Working) Act [2018 \(c.2\)](#), section 1(3)(b).

Commencement Information

I2 Art. 4 in force at 1.1.2021, see [art. 1\(b\)](#)

Insertion of new article 3A in the AFRS 2006 Order

5. After article 3 (interpretation) insert—

“Meaning of “service reduction percentage”

3A.—(1) In the Scheme, the “service reduction percentage” in respect of a period of flexible service is given by the formula, expressed as a percentage—

$$\frac{(A - B)}{A}$$

where—

A is the basic pay which the member would have received in respect of that period of flexible service had the person not been serving on flexible terms;

B is the basic pay received by the person in respect of that period of flexible service.

(2) For the purposes of the Scheme, a period of flexible service ends and another begins when any change in the service reduction percentage occurs.”.

Commencement Information

I3 Art. 5 in force at 1.1.2021, see [art. 1\(b\)](#)

Amendment of article 4 of the AFRS 2006 Order

6. In article 4 (eligibility for redundancy payments)—

(a) in paragraph (3), for sub-paragraph (a) substitute—

“(a) has been notified by or on behalf of the Defence Council that their service is to be terminated and that they will be eligible for compensation under the Scheme;”;

(b) for paragraph (5), substitute—

“(5) Condition D is that the person is not entitled to an ill-health pension.”;

(c) after paragraph (5) insert—

“(5A) For the purposes of this article references to an ill-health pension include a pension under:

(a) rule D.5 in Schedule 1 to the Armed Forces Pension Scheme Order 2005(5),

(b) rule D.6(6) in Schedule 1 to the Armed Forces Pension Scheme Order 2005, and

(c) article 16 of the EDP Order(7).”;

(d) at the end of sub-paragraph 6(b), insert “or the AFPS 2015, or who has opted to cease to be an active member of either of these pension scheme.”.

(5) S.I. 2005/438: relevant amending instruments are S.I. 2006/717, 2007/2608 and 2009/544.

(6) Relevant amending instruments are S.I. 2006/717 and 2007/2608.

(7) S.I. 2005/437: relevant amending instruments are S.I. 2006/717 and 2015/568.

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Commencement Information

I4 [Art. 6](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Amendment of article 6 of the AFRS 2006 Order

7. In article 6 (amount of payment under article 5: leavers with long service commitments), after paragraph (6), insert—

“(6A) Where a person has served on flexible terms, the person’s relevant service for each period of such service, calculated for the purposes of paragraph (2), is reduced by the service reduction percentage applicable to that period of flexible service.”.

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Commencement Information

I5 [Art. 7](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Amendment of article 7 of the AFRS 2006 Order

8. In article 7 (amount of payment under article 5: leavers with short service commitments), after paragraph (3), insert—

“(3A) Where a person has served on flexible terms, the person’s relevant service for each period of such service, calculated for the purposes of paragraph (3)(a), is reduced by the service reduction percentage applicable to that period of flexible service.”.

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Commencement Information

I6 [Art. 8](#) in force at 1.1.2021, see [art. 1\(b\)](#)

Changes to legislation:

There are currently no known outstanding effects for the The Armed Forces Redundancy Scheme Order 2020, PART 3.