
STATUTORY INSTRUMENTS

2010 No. 832

**The Armed Forces (Redundancy, Resettlement and
Gratuity Earnings Schemes) (No. 2) Order 2010**

PART 5

THE ARMED FORCES RESETTLEMENT GRANTS SCHEME 2010

Interpretation of Part 5

33.—(1) The Scheme set out in this Part shall be known as the Armed Forces Resettlement Grants Scheme 2010 (“the AFRGS 2010”).

(2) In this Part—

“opted-out” refers to a person who is an active member of the AFPS 1975 on the day on which this Order comes into force and later ceases to be such a member whilst remaining eligible to be such a member;

“special forces” means the Special Air Service, the Special Boat Service and the Special Reconnaissance and Surveillance Unit.

Application

34. The AFRGS 2010 applies to persons serving in the armed forces before 6th April 2005 in the circumstances set out in this Part.

Entitlement to resettlement grants

35.—(1) A person who ceases to be in service as a member of the armed forces is entitled to a lump sum payment if the person—

- (a) is an active member of the AFPS 1975 or has opted-out;
- (b) has the relevant years of reckonable service in the AFPS 1975;
- (c) is not entitled to the immediate payment of a pension under the AFPS 1975; and
- (d) either—
 - (i) has not previously received a payment under the AFRGS 2010; or
 - (ii) has made a repayment in respect of a payment previously received in sub-paragraph (i).

(2) For the purposes of paragraph (1)(b), the “relevant years of reckonable service”—

- (a) in the case of a person who on ceasing service has held the rank of an officer for at least 2 years, is 9 years after reaching the age of 21; and
- (b) in the case of a person who is not an officer on ceasing service, is 12 years after reaching the age of 18.

(3) Any payment due under paragraph (1) may be—

- (a) withheld on the ground of misconduct;
 - (b) withheld or reduced where, in the opinion of the Defence Council, service has not been satisfactory; and
 - (c) reduced to meet a public or service debt.
- (4) Where paragraph (1)(d)(i) applies, the lump sum payable is calculated in accordance with the rates as set out in the pension codes which vary according to whether—
- (a) the person has held their rank for at least 2 years; and
 - (b) the person is a member of the special forces.
- (5) Where paragraph (1)(d)(ii) applies, the lump sum payable to a person following further service shall not exceed the proportion previously repaid.

Obligation to repay resettlement grant on rejoining armed forces or entering certain reserve forces service

36.—(1) Where a person receives a payment under article 35 and within a period of 121 days beginning with the date on which service ceases, rejoins the armed forces other than as a result of being recalled for service under the Reserve Forces Act 1980(1) or Part 7 of the Reserve Forces Act 1996(2), the person must repay the relevant fraction of the amount paid.

(2) Where a person receives a payment under article 35 and within a period of 30 days beginning with the date on which the person’s service ceases, rejoins service as a result of a commitment under section 24 (commitment to a period of full-time service), or section 25 (commitment to additional duties) of the Reserve Forces Act 1996, the person must repay the full amount.

(3) In paragraph (1) “the relevant fraction” is calculated in accordance with the following formula—

$$\left\{1 - \frac{a}{121}\right\} \times \text{Resettlement Grant}$$

where “a” is the number of days beginning with the day after the person ceases to be in service and ending with the day before the person rejoins service.

(1) 1980 c. 9.
(2) 1996 c. 14.