

## SCHEDULES

### SCHEDULE 7

#### COMPENSATION

*Reduction of compensation by reference to social security benefits etc.*

- 11 (1) Compensation, other than compensation in respect of funeral expenses, shall be assessed on the basis that the loss to be compensated is reduced by the value of any entitlement to benefits which the claimant has in consequence of the injury to which the claim relates or, as the case may be, the death of the person who sustained that injury.
- (2) In this paragraph—
- “benefit” means—
- (a) any social security benefits payable under the laws of any part of the United Kingdom and any similar benefits payable under the laws of any other country or territory;
  - (b) Injuries (Compensation) (Northern Ireland) Order 1988, or any order replacing that Order, or under any similar scheme established in any other country or territory;
  - (c) benefits (including any return of premiums) under any insurance arrangements, other than private insurance arrangements; and
- “private insurance arrangements” means insurance arrangements for which no person wholly or partly pays except—
- (a) the person who sustained the injury to which the claim relates;
  - (b) his spouse;
  - (c) any person who on the date that that injury was sustained—
    - (i) was living in the same household as the person who sustained that injury,
    - (ii) was so living with him as his spouse; and
    - (iii) had been so living with him in the same household during the whole of the period of two years immediately preceding that date;
  - (d) where the person who sustained that injury was at the time under the age of 18 years, his parent or guardian.
- (3) In calculating for the purposes of this paragraph the value of any entitlement to benefits regard shall be had—
- (a) to any liability to income tax likely to reduce the value of that entitlement; and
  - (b) to any effect the making of the award is likely to have on that entitlement.
- (4) In the case of a claim by the surviving spouse of a person who died as a result of having sustained the injury to which the claim relates, no account shall be taken of

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*Status: This is the original version (as it was originally enacted).*

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any re-marriage of his or of his prospect of re-marriage in calculating for the purposes of this paragraph the value of the surviving spouse's entitlement to social security benefits.