
EXPLANATORY NOTE

(This note is not part of the Scheme)

This Scheme further amends the Personal Injuries (Civilians) Scheme 1983 (“the principal Scheme”) which makes provision for the payment of pensions and allowances to or in respect of civilians who were killed or injured during the 1939-45 World War. The Scheme has been the responsibility of the Secretary of State for Defence since 3rd December 2001.

The new Schedules 3 and 4 of the principal Scheme increase the amounts of allowances, pensions and awards payable under the principal Scheme and increase the amounts of income to be disregarded for the purposes of certain parts of the Scheme.

Pensions for widows and widowers will, from 8th April 2002, be determined on the same basis and the amendments to the principal Scheme under paragraphs 1 and 4 to 15 of Schedule 1 amend articles 2, 27, 31 to 36, 38, 39, 49, 51, 54, 60 and 71 of the principal Scheme. References to widows will include widowers and references to a wife or husband shall be to a spouse. There are consequential amendments to remove references to pensions of dependent widowers.

Paragraphs 2, 3 and 6(c) of Schedule 1 amend articles 18, 19 and 31 of the principal Scheme in order to protect the position of some recipients of unemployability allowance who wish to take up remunerative work, including training.

Under article 18 of the principal Scheme, where a disabled person is in receipt of unemployability allowance and their claim was determined before 7th April 1997, the degree of disablement had to be 20 per cent or greater. If such a person gains remunerative work that is terminated, a new claim for unemployability allowance would have to show a 60 per cent or greater disablement. Therefore the amendments to the principal Scheme provide that where a person’s remunerative work terminates within 52 weeks of receiving the original unemployability allowance and there is no previous period of remunerative work in the 26 weeks prior to the loss of entitlement, their new claim will be determined on the basis of a 20 per cent or greater disablement.

Receipt of invalidity allowance under article 19 is dependent upon receipt of unemployability allowance. A disabled person who sought remunerative work which then terminated and who submits a new claim for invalidity allowance more than 8 weeks after previous receipt may only receive invalidity allowance at a rate lower than the earlier level. Article 19(3) of the principal Scheme has been amended so that a period of up to 52 weeks will not be treated as a break for the purposes of eligibility to invalidity allowance, where remunerative work has been terminated and where there is no previous period of remunerative work in the 26 weeks prior to the loss of entitlement.

Article 31 of the principal Scheme has been amended so that if a disabled person dies during a qualifying period of remunerative work, the entitlement to allowances by their dependants will not be affected.

This Scheme does not impose any costs on business.