STATUTORY INSTRUMENTS

1982 No. 1629

SOCIAL SECURITY

The Mobility Allowance (Motability Payment Arrangements) Amendment Regulations 1982

Made - - - -	*17th November* 1982
Laid before Parliament	*26th November* 1982
Coming into Operation	*17th December* 1982

The Secretary of State for Social Services, in exercise of the powers conferred upon him by section 81(1) and (4)*(d)* of the Social Security Act 1975(**a**) and of all other powers enabling him in that behalf, after reference to the Social Security Advisory Committee (**b**), hereby makes the following regulations:—

Citation, interpretation and commencement

1. These regulations, which may be cited as the Mobility Allowance (Motability Payment Arrangements) Amendment Regulations 1982, amend the Mobility Allowance (Motability Payment Arrangements) Regulations 1978(**c**) (hereinafter referred to as "the principal regulations"), and shall come into operation on 17th December 1982.

Amendment of the principal regulations

2.—(1) For regulation 2 of the principal regulations (payment of mobility allowance on behalf of a beneficiary) there shall be substituted—

"Payment of mobility allowance on behalf of a beneficiary

2.—(1) Where, under arrangements made or negotiated by Motability, an agreement has been entered into by or on behalf of a beneficiary in respect of whom mobility allowance is payable for the leasing or hire purchase of a vehicle, the Secretary of State may arrange that any mobility allowance payable to the beneficiary shall be paid in whole or in part on behalf of the beneficiary in settlement of liability for payments due under that agreement.

(2) Subject to regulations 3 and 4 an arrangement made by the Secretary of State under paragraph (1) shall terminate at the end of whichever is the relevant period specified in paragraph (3), in the case of a lease, or paragraph (4), in the case of a hire purchase agreement.

(3) In the case of a lease the relevant period shall be:—

(a) where the vehicle is returned to the lessor at or before the expiration of the original lease term, the period of the original lease term; or

(**a**) 1975 c. 14.
(**b**) *See* Social Security Act 1980 (c. 30), section 10(1)(*a*).
(**c**) S.I. 1978/1131.

(b) where the vehicle is retained by or on behalf of the beneficiary with the lessor's consent after the expiration of the original lease term, the period of the original lease term; or

(c) where the vehicle is retained by or on behalf of the beneficiary otherwise than with the lessor's consent after the expiration of the original lease term or earlier termination of the lease, whichever is the longer of the following periods

(i) the period ending with the return of the vehicle to the lessor, or

(ii) the period of the original lease term.

(4) In the case of a hire purchase agreement, the relevant period shall be:—

(a) the period ending with the purchase of the vehicle; or

(b) where the vehicle is returned to the owner or is repossessed by the owner under the terms of the agreement before the completion of the purchase, the original period of the agreement.".

(2) After regulation 2 the following regulations shall be added:—

"Power for the Secretary of State to terminate an arrangement

3. The Secretary of State may terminate an arrangement for the payment of mobility allowance on behalf of a beneficiary under regulation 2 on such date as he shall decide

(a) if requested to do so by the lessor or owner of the vehicle to which the arrangement relates, or

(b) where it appears to him that the arrangement is causing undue hardship to the beneficiary and that it should be terminated before the end of any of the periods specified in regulation 2(3) or 2(4).

Restriction on duration of arrangements by the Secretary of State

4. The Secretary of State shall end an arrangement for the payment of mobility allowance on behalf of a beneficiary made under regulation 2, where he is satisfied that the vehicle to which the arrangement relates has been returned to the lessor or owner, as the case may be, and that the expenses of the lessor or owner arising out of the lease or hire purchase agreement have been recovered following the return of the vehicle.".

Signed by authority of the Secretary of State for Social Services.

Hugh Rossi,
Minister of State,
Department of Health and
Social Security.

17th November 1982.

EXPLANATORY NOTE

(This Note is not part of the Regulations)

These regulations amend the Mobility Allowance (Motability Payment Arrangements) Regulations 1978 by substituting a new regulation 2 and adding regulations 3 and 4.

Regulation 2(1) prescribes the circumstances under which mobility allowance payable to a beneficiary under section 37A Social Security Act 1975 may be paid to someone other than the beneficiary where the beneficiary is provided with a vehicle, whether on lease or hire purchase, under arrangements made by the charitable organisation known as Motability. Paragraphs (2)–(4) limit the periods for which payments other than to the beneficiary may continue.

Regulation 3 provides that the Secretary of State may end payments of mobility allowance on behalf of a beneficiary to the lessor or owner of a vehicle which has been provided to that beneficiary under regulation 2, at an earlier date than is provided for in the regulation, if requested to do so by the lessor or owner or where he is satisfied that to continue the arrangement would cause undue hardship to that beneficiary.

Regulation 4 specifies that the Secretary of State shall end such payments on behalf of a beneficiary where he is satisfied that the vehicle has been returned to the lessor or owner and that the lessor's or owner's expenses arising from the provision of the vehicle have been recovered.

The Report of the Social Security Advisory Committee dated 11 August 1982 on the draft of these Regulations referred to them, together with a statement showing that though the Committee had made recommendations as to the policy in connection with the draft it had not suggested that any change should be made, is contained in Command Paper published by Her Majesty's Stationery Office (Cmnd 8754).

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