EXPLANATORY MEMORANDUM TO

THE PNEUMOCONIOSIS ETC. (WORKERS' COMPENSATION) (PAYMENT OF CLAIMS) (AMENDMENT) REGULATIONS 2017

2017 No.

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 The Pneumoconiosis etc. (Workers' Compensation) Act 1979 (the 1979 Act)[1] makes provision for lump sum compensation payments to be made to people suffering from specified dust-related diseases, or their dependants, provided they meet the conditions of entitlement. The compensation payments are set according to the age of sufferers and the extent of their disability and whether or not they were, or would have been, entitled to Industrial Injuries Disablement Benefit. This instrument increases the amount of compensation paid to sufferers, or their dependants under the 1979 Act by 1.0%.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

Other matters of interest to the House of Commons

3.2 Disregarding minor or consequential changes, the territorial application of this instrument includes Scotland.

4. Legislative Context

4.1 There is no obligation to increase the rates of payment made under the 1979 Act. However the Government has reviewed the rates in order to maintain their value in line with inflation. This instrument increases the current rates of payment set out in the Pneumoconiosis etc. (Workers' Compensation) (Payments of Claims) Regulations 1988[2] (the 1988 Regulations), by 1.0%. The rates of payment set out in the 1988 Regulations were last uprated on 1 April 2015.

5. Extent and Territorial Application

5.1 The extent of this instrument is Great Britain.

5.2 The territorial application of this instrument is set out in Section 3 under "Other matters of interest to the House of Commons".

[1] http://www.legislation.gov.uk/ukpga/1979/41/data.pdf
[2] http://www.legislation.gov.uk/uksi/1988/668/made

5.3 Subject to the agreement of the Northern Ireland Assembly, the Department for Communities in Northern Ireland will be making corresponding provision for Northern Ireland.

6. European Convention on Human Rights

6.1 The Minister for Disabled People, Health and Work, Penny Mordaunt MP, has made the following statement regarding Human Rights:

"In my view the provisions of the Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2017 are compatible with the Convention rights."

7. Policy background

7.1 The Pneumoconiosis etc. (Workers' Compensation) Act 1979 (the 1979 Act) provides lump sum compensation payments to sufferers of certain dust-related diseases. It also makes provision for payments to dependants, as defined by the 1979 Act, where the sufferer did not receive a compensation payment under the 1979 Act before their death.

7.2 Although there is no statutory obligation to increase payments in line with inflation under the 1979 Act, the Government has decided to increase the amounts paid as set out in the Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) Regulations 1988 by 1.0% - the rate of inflation as measured by the September 2016 Consumer Prices Index, and in line with the uprating of industrial injuries benefits and other social security benefits (such as Carers' Allowance and Personal Independence Payments).

Consolidation

7.3 Consolidation is not necessary because this instrument is an uprating instrument.

8. Consultation outcome

8.1 There is no duty to consult over these increases and a consultation has not been carried out. These increases are at the rate of inflation as measured by the September 2016 Consumer Prices Index, and are in line with the uprating of industrial injuries benefits and other social security disability benefits which are increased under other statutory provisions.

9. Guidance

9.1 A guidance bulletin detailing the new rates will be issued to claim processors in the Barrow office of the Department for Work and Pensions with the responsibility for processing all claims under the 1979 Act, in advance of this statutory instrument coming into force.

10. Impact

10.1 There is no impact on business, charities or voluntary bodies.

10.2 The impact on the public sector is negligible. From April 2015 to March 2016 3,520 people made a claim in respect of one of the dust-related diseases under the 1979 Act and 310 of these claims were from dependants.

10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

11.1 The legislation does not apply to activities that are undertaken by small businesses.

12. Monitoring & review

12.1 The changes aim to maintain the value of payments in line with the rate of inflation. It is intended that these rates will be reviewed each year.

13. Contact

13.1 Neil Walker at the Department for Work and Pensions. Telephone: 0113 232 4242 or email: mailto:neil.walker@dwp.gsi.gov.uk can answer any queries regarding the instrument.