EXPLANATORY MEMORANDUM TO

THE PNEUMOCONIOSIS ETC. (WORKERS' COMPENSATION) (PAYMENT OF CLAIMS) (AMENDMENT) REGULATIONS 2018

2018 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[1] (the 1979 Act) 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.

2.2 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 scheme by 3.0%.

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 The 1979 Act does not require that the rates of compensation payments be increased. 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 of the Pneumoconiosis etc. (Workers' Compensation) (Payments of Claims) Regulations 1988[2], by 3.0%. The rates of payment set out in the 1988 Regulations were last uprated on 1 April 2017.

5. Extent and Territorial Application

5.1 The extent of this instrument is Great Britain.

5.2 The territorial application of this instrument is Great Britain.

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[1] Pneumoconiosis etc. (Workers' Compensation) Act 1979

[2] The Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) Regulations 1988

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

6. European Convention on Human Rights

6.1 The Minister for Disabled People, Health and Work, Sarah Newton, has made the following statement regarding Human Rights:

"In my view the provisions of the Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2018 are compatible with the Convention rights."

7. Policy background

What is being done and why

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 3.0% - the rate of inflation as measured by the September 2017 Consumer Prices Index. As payments made under this scheme are in respect of people who have been disabled through contracting certain dust-related diseases through work, they are being up-rated in line with other disability benefits.

Consolidation

7.3 Consolidation is not necessary because this instrument is an up-rating 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 2017 Consumer Prices Index, and are in line with the uprating of Industrial Injuries benefits and other social security disability benefits (such as Carers' Allowance and Personal Independence Payments) which are increased under other statutory provisions.

9. Guidance

9.1 Prior to implementation a guidance bulletin detailing the new rates will be issued to claim processors in the DWP Barrow office with the responsibility for processing all claims under the 1979 Act.

10. Impact

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

10.2 The impact on the public sector is negligible. There will be an estimated £1.25m increase to the DWP Departmental Expenditure Limit.

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 in the payable rates 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 Susan Sedgwick at the Department for Work and Pensions. Telephone: 0113 251 9129 or email: mailto:susan.sedgwick@dwp.gsi.gov.uk can answer any queries regarding the instrument.