EXPLANATORY MEMORANDUM TO

THE PNEUMOCONIOSIS ETC. (WORKERS' COMPENSATION) (PAYMENT OF CLAIMS) (AMENDMENT) REGULATIONS 2026

2026 No [XXXX]

1. Introduction

1.1 This Explanatory Memorandum has been prepared by Department for Work and Pensions and is laid before Parliament by Command of His Majesty.

2. Declaration

2.1 Sir Stephen Timms, Minister for Social Security and Disability, at the Department for Work and Pensions confirms that this Explanatory Memorandum meets the required standard.

2.2 Joel Weston, Deputy Director for Health and Disability Delivery Division, at the Department for Work and Pensions confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Roberta Owen at the Department for Work and Pensions can be contacted by email at the following address with any queries regarding the instrument: roberta.owen@dwp.gov.uk.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 The Pneumoconiosis etc. (Workers' Compensation) Act 1979[1] ("the 1979 Act") makes the provision for lump sum compensation payments to people suffering from specified dust-related diseases, or their dependants, provided they meet the conditions of entitlement.

4.2 This instrument increases the amount of compensation paid to eligible people with the specified diseases (or their dependants) under the 1979 Act Scheme by 3.8%.

Where does the legislation extend to, and apply?

4.3 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is Great Britain.

4.4 The territorial application of this instrument (that is, where the instrument produces a practical effect) is Great Britain.

4.5 The Department for Communities in Northern Ireland will be making corresponding provisions for Northern Ireland.

[1] https://www.legislation.gov.uk/ukpga/1979/41/contents

5. Policy Context

What is being done and why?

5.1 The 1979 Act provides lump-sum compensation payments to people with certain dust-related diseases. It also makes provision for payments to dependants, as defined by the 1979 Act, where the person with the disease did not claim a compensation payment under the 1979 Act before their death. "Dependant" has specific meaning set out in section 3 of the Pneumoconiosis etc. (Workers' Compensation) Act 1979. The compensation payments for people with the specified diseases are set according to the age of the person with the disease and the extent of their disability. The relevant form to make a claim for payment under the 1979 Act is published on GOV.UK[2].

5.2 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 ("the 1988 Regulations")[3] by 3.8%. This is the rate of inflation as measured by the September 2025 Consumer Price Index[4].

5.3 The increase in rates applies only to cases where a person first fulfils the conditions of entitlement to a payment under the 1979 Act on or after 1 April 2026.

What was the previous policy, how is this different?

5.4 Without this change, payment rates under the 1979 Act would remain as currently set out in the 1988 Regulations (as amended by the Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2025)[5].

6. Legislative and Legal Context

How has the law changed?

6.1 The Government has reviewed payment rates under the 1979 Act and decided to uprate these payments to maintain their value in line with inflation. This instrument increases the current rates of payments as set out in the 1988 Regulations by 3.8%.

Why was this approach taken to change the law?

6.2 The 1979 Act does not require that the rates of compensation payments be increased in line with inflation. However, the rates of compensation payments have been uprated in this way annually since 2004. The rates of payments set out in the 1988 Regulations were last uprated 1 April 2025, and this change will ensure that these rates maintain their value in line with inflation.

7. Consultation

Summary of consultation outcome and methodology

7.1 There is no duty to consult over these increases, and a consultation has not been carried out. This is an uprating instrument only, which increases the rates of payment under the 1979 Act in line with inflation.

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[2] https://www.gov.uk/government/publications/mesothelioma-payment-claim-form
[3] https://www.legislation.gov.uk/uksi/1988/668/contents
[4] https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/september2025
[5] https://www.legislation.gov.uk/uksi/2025/347/contents/made

8. Applicable Guidance

8.1 Prior to implementation internal guidance detailing the new rates will be issued to the claims processors responsible for processing claims under the 1979 Act.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because the impact on the public sector is negligible. There will be an estimated £1.29m increase to the Department for Work and Pensions (DWP) Departmental Expenditure Limit for 26/27.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities, or voluntary bodies because this is an uprating instrument only.

9.3 The legislation does not impact small or micro businesses.

9.4 There is no, or no significant, impact on the public sector because the volume of payments made under the 1979 Act scheme is low. The total increase to the DWP Departmental Expenditure Limit for 26/27 is set out in paragraph 9.1.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is to review the payable rates each year.

10.2 The instrument does not include a statutory review clause.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 The Minister for Social Security and Disability, Sir Stephen Timms 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 2026 are compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts").