EXPLANATORY MEMORANDUM TO

THE VACCINE DAMAGE PAYMENTS ACT 1979 STATUTORY SUM ORDER 2007

2007 No.

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. Description

2.1 This Order increases the sum which is payable under section 1(1) of the Vaccine Damage Payments Act 1979 from £100,000 to £120,000.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Background

4.1 There is no annual increase to the statutory sum of a Vaccine Damage Payment. The last increase to the statutory sum to £100,000 was specified by Article 2 of the Vaccine Damage Payments Act 1979 Statutory Sum Order 2000 as from 22 July 2000.

4.2 During a meeting between the Minister for Disabled People, Anne McGuire and the All Party Parliamentary Group for Vaccine Damaged Children in July 2006, the All Party Group requested that consideration should now be given to a further up-rating of the statutory sum.

4.3 The payment of £100,000 raised in 2000 is now worth £117,000 in today's prices. This means that the buying power of the payment is restored to its original value in 2000 and rounded up to the nearest £10,000.

4.4 The increase from £100,000 to £120,000 applies to all new successful claims made on or after 12 July 2007.

5. Extent

5.1 This instrument applies to all of the United Kingdom and to the Isle of Man.

5.2 The legislature of the Isle of Man has been consulted and consented to this instrument.

6. European Convention on Human Rights

The Minister for Disabled People, Anne McGuire has made the following statement regarding Human Rights:

In my view the provisions of the Vaccine Damage Payments Act 1979 Statutory Sum Order 2007 are compatible with the Convention rights.

7. Policy background

7.1 The Vaccine Damage Payments Act 1979 provides lump sum payments to ease the present and future burdens of those who have been severely disabled by vaccinations against specified diseases.

7.2 There are on average 4/5 successful vaccine damage claims per year. Based on a one off increase to the statutory sum from £100,000 to £120,000, the costs associated with this increase would amount to approx £80-£100,000 per year.

Consultation

7.3 A consultation exercise was not undertaken for this instrument. This is because no substantive changes have been made to the Vaccine Damage Payments Regulations 1979. This instrument simply increases the statutory sum which is payable under section 1(1A) of the Vaccine Damage Payments Act 1979 from £100,000 to £120,000

Guidance

7.4 A Ministerial Statement and Press Release will announce the new statutory sum. The Vaccine Damage Payments information leaflet and relevant websites will also show the new amount

Consolidation

7.5 Consolidation is not appropriate in these circumstances. This Order does not amend an existing instrument. The Order merely specifies the relevant statutory sum for the purposes of the Vaccine Damage Payment Act 1979

7.6 There is no requirement to refer this instrument to the Social Security Advisory Committee as the Vaccine Damage Payment Act 1979 is not listed in section 170(5) of the Social Security Administration Act 1992 as a "relevant enactment" for referral.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

8.2 There is no impact on the public sector.

9. Contact

Mick Allen at the Department for Work and Pensions Tel: 01772 238206 or e-mail: Mick.Allen@dwp.gsi.gov.uk can answer any queries regarding the instrument.