EXPLANATORY MEMORANDUM TO

THE INFECTED BLOOD COMPENSATION SCHEME (AMENDMENT) REGULATIONS 2026

2026 No. 872

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Cabinet Office and is laid before Parliament by Command of His Majesty.

1.2 This memorandum contains information for the Joint Committee on Statutory Instruments and the Secondary Legislation Scrutiny Committee.

2. Declaration

2.1 Nick Thomas-Symonds, Minister for the Cabinet Office and Paymaster General at the Cabinet Office confirms that this Explanatory Memorandum meets the required standard.

2.2 James Quinault, Director General for Public Inquiries Response at the Cabinet Office confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 The Infected Blood Inquiry Response Team at the Cabinet Office can be contacted by email at the following address with any queries regarding the instrument: ibiresponse@cabinetoffice.gov.uk

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 The Infected Blood Compensation Scheme (Amendment) Regulations 2026 ("the Regulations") amend the Infected Blood Compensation Scheme Regulations 2025 to make revisions to the Infected Blood Compensation Scheme ("the IBCS") in line with the Government's response to the public consultation on proposed changes to the infected blood compensation scheme. The consultation followed recommendations provided by the chair of the Infected Blood Inquiry ("the Inquiry"), Sir Brian Langstaff, in his Additional Report on Compensation published in July 2025.

Where does the legislation extend to, and apply?

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England, Wales, Scotland and Northern Ireland (i.e. UK wide).

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is will include eligible infected and affected people, wherever they are located, as set out in the Infected Blood Compensation Scheme Regulations 2025.

5. Policy Context

What is being done and why?

5.1 The IBCS was fully established in law in March 2025, through the Infected Blood Compensation Scheme Regulations 2025. Those regulations gave the Infected Blood

Compensation Authority ("IBCA") all the powers it needed to deliver the compensation scheme to all eligible infected and affected people.

5.2 The Infected Blood Inquiry held further hearings in May 2025 on the Government's response to the Inquiry's recommendations on compensation, following which it published an Additional Report in July 2025. The report made 26 recommendations on design and delivery of compensation, with 16 of those recommendations for the Government to consider. Recommendations on the delivery of compensation are being addressed by IBCA.

5.3 The Government immediately accepted seven of these recommendations. The Infected Blood Compensation Scheme (Amendment) Regulations 2025 were laid in October 2025 and came into force in December 2025. Those regulations made changes to the IBCS in response to the report, putting into legislation changes relating to the recommendations the Government had accepted which required legislative change to achieve.

5.4 For the outstanding recommendations, as the Inquiry recommended, a public consultation on proposed changes to the IBCS was launched in October 2025. The consultation asked for feedback and suggestions on proposals across seven areas of the compensation scheme, in line with the Inquiry's recommendations. The consultation closed in January 2026. More detail on how the consultation was run can be found in section 7.

Delivery of Compensation

5.5 The delivery of the IBCS continues to be the responsibility of IBCA, an operationally independent body, as set out in the Victims and Prisoners Act 2024 ("the Act"). As a result of the changes being made to the IBCS through these Regulations, IBCA will need to update some individuals' awards where they have already received their compensation payment, but individuals will not need to reapply. It is an operational decision for IBCA to determine the process for this review.

5.6 Since the end of 2025, IBCA has now opened its compensation service to the first claims for living infected people who have never been compensated, estates of deceased infected people, and affected people.

5.7 As of 2nd June 2026, IBCA has contacted 4,466 people to start their compensation claim, and 4,204 have started the claim process. 3,378 offers of compensation have been made, totalling over £2.7 billion, and so far, 3,287 people have accepted their offers with more than £2.1 billion paid in compensation.

5.8 Of the 4,466 people contacted to start their compensation claim, 3,626 are living infected people registered with an existing support scheme; 592 are living infected people who have never been compensated; 158 are people acting on behalf of a deceased infected person; and 90 are affected people.

5.9 IBCA opened a service on 9th October 2025 to allow people to register their intent to make a claim. As of 2nd June 2026, there have been 19,121 registrations of intent to make a compensation claim. This figure represents individual registrations, not unique people or claims. This is because some people may have registered more than once.

5.10 Of this number there have been 1,320 registrations of intent from a living infected person, or their representative; 14,626 registrations of intent from a living affected person, or their representative; 357 registrations of intent relating to a living infected and affected person, or their representative; 2,718 registrations of intent from people

acting on behalf of a deceased infected person; and 100 registrations of intent from people acting on behalf of a deceased affected person.

Cost

5.11 As of 2nd June 2026, IBCA has paid over £2.1 billion in compensation. This is in addition to the over £1.4 billion paid by the Government in interim compensation payments to infected people, bereaved partners and estates.

5.12 The estimated total cost of compensation, as established by the Infected Blood Compensation Scheme Regulations 2025, is £11.8 billion for the 2024/25 to 2029/30 financial period. This is not a target or a limit, and the ultimate costs will depend on the number of eligible people who come forward.

5.13 The policy changes made to the IBCS as a result of the Inquiry's Additional Report (which includes the changes in these regulations and the previous infected blood regulations) are currently estimated to cost around £1 billion in further compensation payments. This estimate is only indicative at this stage, and the Government will update on the total forecast cost for the IBCS as a whole at Autumn Budget 2026.

What was the previous policy, how is this different?

5.14 The bulk of the IBCS, as set out in the Infected Blood Compensation Scheme Regulations 2025, still stands. The Government has published explanatory detail on the existing compensation framework.

5.15 These Regulations make targeted changes to the existing scheme, in line with changes in Government policy as a result of a public consultation. These changes are made within the framework of the existing scheme. The order in which these are described correspond to the order of chapters in the consultation document.

Special Category Mechanism (SCM), and its equivalents

5.16 These Regulations ensure that everyone who was eligible for SCM or an equivalent payment through the Infected Blood Support Schemes (IBSS) receives additional financial loss and care compensation so that the existing acknowledgement of the impact their infection had on their day-to-day life is properly compensated.

5.17 Following the consultation, these Regulations will ensure that everyone in this position has the award backdated to 2017 (when the SCM award was first introduced), regardless of when they were assessed. Living people who were not assessed as eligible for SCM can also now apply for it through the IBCS, including those who were previously unsuccessful in their application to the IBSS.

Severe Psychological Harm

5.18 Most victims of the infected blood scandal have suffered psychological harm. The core award as set out in the Infected Blood Compensation Scheme Regulations 2025 provides compensation for psychological harm in the Injury, Autonomy, and Social Impact awards.

5.19 Some people will have had a major impact on their ability to work and care for themselves, due to poor mental health from their infection or treatment. In the consultation response, the Government explained the new proposal on SCM would provide a further route for people experiencing psychological harm to receive more compensation than the core award.

5.20 Through the new SCM proposal, people who have experienced more psychological harm than the core award assumes will be able to apply to receive more Financial

Loss and Care compensation to account for the impact that this harm had on their life. These Regulations will introduce the new SCM award and therefore enable supplementary route applications from those who can show that their circumstances require more Financial Loss and Care compensation for psychological harm.

Recognition of harms caused by treatment with interferon

5.21 As proposed in the consultation, the Regulations will introduce a new 'Level 2B' award so that people who suffered from the side-effects of interferon treatment receive an additional Injury award, as well as further Financial Loss and Care compensation, to reflect the impact it had on their lives.

5.22 Following the consultation, the Regulations will also make sure that people who received more than one round of interferon will be properly compensated for each of these rounds of treatment.

Past Financial Loss and Past Care awards

5.23 As proposed in the consultation, these Regulations will remove the 25% deduction applied to past Care compensation for people who choose to receive support scheme payments for life.

5.24 Following the consultation, the Regulations will make sure that people receive past Financial Loss compensation based on whichever of the two ways to calculate this award is most financially beneficial for them.

Evidence requirements for Exceptional Loss

5.25 The consultation asked whether there was a fair way of recognising people's loss of potential, where they lacked actual evidence of their earnings but where there was nevertheless a clear chance that they would have gone on to earn at a high level.

5.26 Following the consultation, these Regulations introduce a compensation uplift of £60,000 for people who had entered, or had an offer to enter, a higher-earning career at any point prior to retirement age, but were unable to progress in this career due to their infection. This award will be available through the supplementary route and will come in addition to Financial Loss awards paid through the core route. People will not need to show an actual salary offer or earnings; instead IBCA will determine whether a given career would have generally paid at least 10% higher than the gross national median average earnings. If so, a person will automatically be eligible for the £60,000 award, as long as the offer of employment or entry into the career happened within a specific time period prior to infection.

5.27 Otherwise, the Exceptional Loss award will continue to be available through the supplementary route for people who can provide evidence of earning more than the core route before they were infected. The Government understands from the consultation that some people are concerned that they will not be able to access this award if they do not have historic payslips. The Government will work with IBCA to ensure that communications are clear about the broad range of alternative evidence that people could use to show they are eligible for the Exceptional Loss award so that this is not a barrier.

Increased awards for some affected people

5.28 In the consultation, the Government asked about introducing additional supplementary compensation for affected people and invited respondents to tell us how they thought

it might do this, including what they thought about giving certain groups of affected people more compensation.

5.29 Following the consultation, these Regulations introduce a 50% uplift to the core Injury award for some affected people. Eligible bereaved parents whose infected child died under the age of 18 will receive an uplifted Injury award to recognise the profound impact of this loss. Eligible bereaved partners will also receive an uplifted Injury award to recognise the deep emotional harm of losing a partner.

5.30 Growing up in a home or family impacted by infected blood meant that people suffered increased mental and emotional harm. For this reason, children and siblings of infected people who were affected whilst they were under the age of 18 will also receive an uplifted Injury award, calculated based on the highest severity of infection the infected person experienced during childhood.

Unethical research

5.31 As proposed in the consultation, these Regulations will change the eligibility criteria so that everyone treated for a bleeding disorder within a specific time period will receive an unethical research award. People will no longer need to prove that this treatment happened at a specific haemophilia centre, or that they were part of a specific research trial. Following the consultation, these Regulations will adjust the date range to make sure it captures the evidence of unethical research that respondents shared in their responses. Anyone who received treatment for a bleeding disorder before 1986 will be eligible for the award.

5.32 These Regulations also introduce a new Unethical Research award for children. This means that people who were treated for a bleeding disorder in childhood will receive a higher Unethical Research award than those who were treated in adulthood.

5.33 Overall, these Regulations increase the amount of compensation that all eligible people receive for unethical research. People who attended Treloar's will receive £60,000, rather than the £25,000 proposed in the consultation. Other children will receive £45,000. Those treated in adulthood will receive £30,000, rather than the £10,000 they receive currently.

People infected as children

5.34 It was clear from the responses to the consultation that many people felt that the IBCS did not go far enough to reflect the profound impact of infection for those who were infected in childhood. People who were infected when they were aged under 18 will receive a 50% uplift to their core Autonomy award, calculated based on the highest severity of infection they experienced during childhood.

Other changes to the IBCS

5.35 Amendments have been made to Part 5 (IBCA Support Scheme Payments) to account for the uplift to award values by CPI in April 2026 and that the next CPI uplift will take place in April 2027, after IBCA takes responsibility for making Support Scheme Payments from the Infected Blood Support Schemes on the dates set out in the Infected Blood Compensation Scheme (Amendment) Regulations 2025.

6. Legislative and Legal Context

How has the law changed?

6.1 This is new law, using powers under and as required by Part 3 of the Victims and Prisoners Act 2024. Section 48 of the Act established IBCA to administer the IBCS

and the Regulations amend aspects of the IBCS as established in the Infected Blood Compensation Scheme Regulations 2025.

Why was this approach taken to change the law?

6.2 This is the only possible approach to make the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

7.1 The Inquiry's Additional Report made 15 recommendations on the design of the IBCS, and made specific recommendations suggesting the Government consult. The Government published its response to the recommendations on 21 July 2025, and confirmed it would consult on seven specific areas of the IBCS.

7.2 The public consultation on proposed changes to the infected blood compensation scheme launched on 30 October 2025, and ran for 12 weeks, closing on 22 January 2026.

7.3 The consultation was split into eight chapters. These chapters corresponded with the aforementioned seven specific areas of the IBCS, and included an additional eighth chapter which invited respondents to raise any other issues with the IBCS that were not covered in the Additional Report. The Government put forward policy proposals for five of the seven areas, and for the remaining two areas, explained that it was unable to find a way to implement the Inquiry's recommendations but wanted to hear the community's views on how this might be done.

7.4 The majority of responses were submitted via an online survey platform, but respondents could also respond by email or by post (though no responses were received by post). A total of 710 responses were received, the majority of which came from those infected and affected by the infected blood scandal (292 and 312 respectively). Responses were also received from charities and other representative bodies. To review this large amount of qualitative data fairly and accurately, the Government used a formal research method called Thematic Analysis. This was chosen for its flexibility and ability to provide nuanced accounts of the lived experiences shared in responses.

7.5 The Government published its response to the consultation on 14 April 2026. As a result of the consultation, the Government is making substantial changes in all seven areas specifically consulted on, and an additional change based on what it heard in the eighth chapter on additional issues raised in the consultation. In four of the seven areas, the Government is going further than its initial proposals, to better reflect and embody in the IBCS the experiences people shared in their responses.

7.6 In addition to the consultation, the Technical Expert Group convened a series of virtual roundtables with key organisations and charity representatives to help inform their advice to the Government on areas within their work programme. The attendee lists were specific to each roundtable, and were informed by the key representatives in the infected blood community that the Government regularly engages with. All key representatives were able to provide written submissions for each roundtable even if they were not directly invited to attend. A background paper was published ahead of each meeting.

7.7 The Technical Expert Group held six roundtables in total, and intended to give as many community representatives and organisations as possible an opportunity to engage directly with them at the roundtables. The minutes of these six roundtables,

the minutes of the Technical Expert Group's own meetings, and its final report, were published alongside the Government's response to the consultation.

7.8 The Government and IBCA continue to engage regularly with the infected and affected communities. Throughout and directly following the consultation, the Government has undertaken official level engagement with the community, and a version of the draft regulations was shared with community representatives ahead of them being laid.

8. Applicable Guidance

8.1 The details of the Government's response to the Inquiry's Additional Report can be found at: https://www.gov.uk/government/publications/infected-blood-inquiry-additional-report-government-response/infected-blood-inquiry-additional-report-government-response.

8.2 Details of the IBCS, as established by the 2025 Regulations and amended by the 2025 Amendment regulations, can be found here: https://www.gov.uk/government/publications/infected-blood-compensation-scheme/government-update-on-the-infected-blood-compensation-scheme-html.

8.3 The full details of the Government's response to the public consultation on proposed changes to the infected blood compensation scheme can be found here: https://www.gov.uk/government/consultations/consultation-proposed-changes-to-the-infected-blood-compensation-scheme/outcome/government-response-to-consultation-on-changes-to-the-infected-blood-compensation-scheme#foreword-by-the-minister-for-the-cabinet-office.

8.4 IBCA's website also provides further details on the delivery of the IBCS: https://ibca.org.uk/.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 An Equalities Impact Assessment was prepared for the Government's response to the consultation, which set out the policy changes which the regulations will implement, and was published alongside the Government's response in April 2026.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies because the regulations do not apply to any organisations within those categories.

9.3 The legislation does not impact small or micro businesses.

9.4 There is no, or no significant, impact on the wider public sector beyond IBCA. The cost of the scheme, including the costs of running the IBCA, has been accounted for in Government budgets and will be demand-led. More detail on cost is included in paragraphs 5.12 to 5.13.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 There is a requirement under the Act for IBCA to prepare an annual report on the exercise of its functions during that financial year. This report must be sent to the Secretary of State or the Minister for the Cabinet Office and laid before Parliament.

10.2 On 16 September 2025, the Minister for the Cabinet Office laid IBCA's first annual report before Parliament.[1]

10.3 The Infected Blood Compensation Scheme Regulations 2025 also make provision for the Minister for the Cabinet Office or the Secretary of State to carry out a review of the administration of the IBCS by IBCA under the Regulations.

10.4 In addition, the Minister for the Cabinet Office asked for a review of IBCA's delivery of the IBCS to ensure it is progressing as quickly as possible. This was supported by the National Infrastructure and Service Transformation Authority, NISTA, and led by an independent reviewer. The review took place between August 2025 and October 2025, and the Minister for the Cabinet Office published the report on 30 October 2025.[2] The review found that IBCA has made "substantial early progress" toward delivering compensation to the victims of infected blood.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 In his oral statement of 14 April 2026, the Minister for the Cabinet Office committed to bringing forward a set of regulations to implement the outcome of the public consultation on proposed changes to the infected blood compensation scheme "in due course".

11.2 The Regulations amend the previous Statutory Instrument 'The Infected Blood Compensation Scheme Regulations 2025', which was approved by Parliament in March 2025. Those regulations gave the IBCA the powers to pay compensation through the core route for eligible infected people, as well as expanding the IBCS to cover supplementary routes for those eligible individuals and both core and supplementary routes for eligible affected people.

11.3 The substance of the 2025 Regulations is largely unchanged, barring the specific changes set out in section 5, and the changes made in the Infected Blood Compensation Scheme (Amendment) Regulations 2025.

12. European Convention on Human Rights

12.1 The Minister for the Cabinet Office has made the following statement regarding Human Rights: "In my view the provisions of the Infected Blood Compensation Scheme (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").

[1] https://www.gov.uk/government/publications/annual-report-and-accounts-2024-2025

[2] https://www.gov.uk/government/publications/infected-blood-compensation-authority-independent-review/infected-blood-compensation-authority-independent-review