EXPLANATORY MEMORANDUM TO

THE PERSONAL INJURIES (NHS CHARGES) (INFORMATION PROVISION AND AMOUNTS) (AMENDMENT) REGULATIONS 2026

2026 No. 962

1. Introduction

1.1 This Explanatory Memorandum has been prepared by Department of Health and Social Care ("DHSC") and is laid before Parliament by Command of His Majesty.

1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Declaration

2.1 Karin Smyth MP, Minister of State for Health (Secondary Care) at the Department of Health and Social Care confirms that this Explanatory Memorandum meets the required standard.

2.2 Mike Haslam, Deputy Director, for the Cross Border Healthcare and Cost Recovery Division, at the Department of Health and Social Care, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Junaid Tamimu, Policy Manager at the Department of Health and Social Care can be contacted by email at the following address with any queries regarding the instrument: nhs.injurycostrecovery@dhsc.gov.uk. Alternatively, the department can be contacted by telephone: 0300 790 4007.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 The purpose of this instrument is to increase the charges recoverable by the NHS for an injury which occurs on or after 1st October 2026 under the NHS Injury Cost Recovery Scheme ("ICR Scheme"). Under the ICR Scheme charges are recoverable from persons who pay compensation to a person for an injury where that injured person receives NHS hospital treatment or ambulance services.

4.2 This instrument also introduces a requirement that insurers and other compensators provide the injured person's NHS Number, where known. This requirement will come into force on 6th April 2027. Currently, NHS trusts are not claiming back some costs from insurers because they are unable to trace the records of patients they have treated. This change is intended to make it easier for NHS trusts who have provided treatment to an injured person to trace their records.

Where does the legislation extend to, and apply?

4.3 The extent of this instrument is England and Wales. Welsh Ministers have been consulted as required by section 195(3) of the Health and Social Care (Community Health and Standards) Act 2003 ("the 2003 Act") and they are content.

4.4 The territorial application of this instrument is England and Wales.

5. Policy Context

What is being done and why?

5.1 DHSC undertook a full consultation in summer 2006 on regulations governing the operation of the ICR scheme. This included seeking agreement to continue the practice established under the former Road Traffic (NHS Charges) Act 1999 recovery scheme of uprating the level of charges on 1st April every year in line with Hospital and Community Health Services ("HCHS") inflation. The proposal was agreed by the majority of respondents.

5.2 The table in Schedule 1 to the Personal Injuries (NHS Charges) (Amounts) Regulations 2015 ("Amount Regulations") therefore provides the tariffs which apply to the treatment of injuries which occurred on or after the specified dates.

5.3 The HCHS inflation in the tariffs is calculated by NHS England in their annual uplift to the NHS Payment Scheme, formerly the NHS national tariff – the set of prices and rules used by providers of NHS care and commissioners to deliver the most efficient, cost-effective care to patients.

5.4 The charges (rounded to the nearest whole pound) for treatment or services in respect of injuries occurring on or after 1st October 2026 will increase as follows:

- Ambulance services from £267 to £272.
- Hospital treatment without admission (out-patient) from £883 to £901.
- Treatment with admission to hospital (in-patient) from £1,085 to £1,107 per day of admission.
- The maximum amount that can be recovered in relation to any one injury (the cap on charges) increases from £64,856 to £66,173.

5.5 We estimate that the increase in the tariffs will give the NHS the opportunity to reclaim an additional £3.9m per year from insurers and other compensators, based on the difference between the current charges and the increased charges provided for by this instrument applied to the latest (2026) activity data. As this cash increase is in line with HCHS inflation, it will simply maintain the real-terms value of current income.

5.6 In 2025/26, the Compensation Recovery Unit ("CRU"), part of the Department for Work and Pensions, received a total of £2.4m to administer the scheme on behalf of the Secretary of State for Health and Social Care (for England and Wales) and the Cabinet Secretary of Health and Social Care (Scotland). During the same period, the CRU recovered around £193.6m for NHS trusts. This tariff increase does not increase the cost of administering the scheme. A facility to increase the level of charges has already been built into the Department for Work and Pensions IT system. There are therefore no additional costs to the Exchequer arising from the tariff increase.

5.7 There are instances where a patient's treatment records cannot be traced by an NHS Trust. This can happen for various reasons, including incorrect recording of the patient's name, date of birth or the Trust which provided treatment. These are returned as "no traces" which, after further investigations have concluded, could result in an NHS Trust losing out on recovering NHS costs. Our analysis suggests that this could be up to £17m per year.

5.8 To address this issue, the Department of Health and Social Care conducted a targeted consultation in spring 2026 on the proposal to make it a requirement for insurers and compensators to provide the CRU with the NHS Number of individuals whose

injuries give rise to third party liability, where that information is known to the insurer or compensator.

5.9 The majority of respondents expressed strong support for the proposal. They highlighted that collecting NHS Numbers would provide a more reliable identifier for matching patient treatment records, improve the efficiency of the ICR Scheme, and reduce the administrative burden on NHS trusts and the Department for Work and Pensions' CRU.

5.10 Based on responses to that consultation, the Department of Health and Social Care has decided to have two coming into force dates for this instrument. Regulations 1, 3 and 4, which provide for the uplift of charges, will come into force from 1 October 2026. Regulation 2, requiring insurers to provide the NHS Number of patients where known, will come into force from 6th April 2027, in order to give insurers and the CRU time to make the necessary system and process changes to their IT infrastructure.

What was the previous policy, how is this different?

5.11 The previous tariffs for injuries that occurred between 1st October 2025, and 30th September 2026 were lower, as the tariffs were calculated by using the 2025/26 HCHS inflation rates. The October 2026 tariff uplift has taken into account recent impacts on healthcare inflation, including pay settlements, and will only apply to injuries that occur on or after 1st October 2026.

5.12 The compensator or insurer currently provides the CRU with the following details of the injured person: full name and address; date of birth; national insurance number (where known); date on which the injury occurred; nature of the injury; name and address of the NHS trust that provided the treatment; and details of any compensation payment made. Under this instrument, they will also be required to provide the injured person's NHS Number, where known, thereby enabling NHS trusts to use a unique identifier to improve the matching of patient records.

5.13 Under this instrument, the CRU will also be able to request the NHS Number of the injured person from persons listed in section 160(1) of the 2003 Act. This is in addition to the information CRU is currently able to request, which mirrors the information required from compensators or insurers (see above).

6. Legislative and Legal Context

How has the law changed?

6.1 Hospitals have been able to recover the cost of treating victims of road traffic accidents for more than 70 years. The arrangements for this were streamlined and modernised through the provisions of the Road Traffic (NHS Charges) Act 1999.

6.2 The Law Commission for England and Wales consulted in 1996 on whether the process of recovery of NHS costs should take place in all cases where people claim and receive personal injury compensation for injuries that require NHS hospital treatment. The majority of respondents were in favour.

6.3 Part 3 of the 2003 Act makes provision for the establishment of a scheme, known as the Injury Cost Recovery Scheme. The Regulations governing the operation of the expanded scheme came into force on 29 January 2007.

6.4 There are three sets of key Regulations:

- The Personal Injuries (NHS Charges) (General) and Road Traffic (NHS Charges) (Amendment) Regulations 2006 (S.I. 2006/3388) (the General Regulations);

- The Personal Injuries (NHS Charges) (Reviews and Appeals) and Road Traffic (NHS Charges) (Reviews and Appeals) (Amendment) Regulations 2006 (S.I. 2006/3398); and
- the Amount Regulations.

6.5 The Amount Regulations consolidated, but did not materially change, previous regulations. This instrument further amends the Amount Regulations to increase the amount recoverable in respect of injuries occurring on or after 1st October 2026.

6.6 This instrument also amends the General Regulations to require insurers to provide the CRU with the injured person's NHS Number, where known.

6.7 This instrument also revokes the Personal Injuries (NHS Charges) (Amounts) (Amendment) Regulations 2025 (S.I. 2025/986).

Why was this approach taken to change the law?

6.8 This is the most effective approach to make the necessary changes.

7. Consultation

Summary of consultation outcome and methodology

7.1 As required by section 195(3) of the 2003 Act, consultation with the Welsh Ministers was undertaken and they have confirmed they are content with this instrument.

8. Applicable Guidance

8.1 It is not considered necessary to issue guidance on the amendments set out in the instrument. The uplift in the tariff is a routine event that does not require any additional explanation. Insurers are already familiar with asking patients for their NHS Number. This instrument only makes it a requirement to provide it where known.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument as it only seeks to increase a charge under the scheme and add in the requirement to provide the injured person's NHS Number, where known. It is anticipated that the increase will have no or a low-level impact on the private, voluntary or public sector.

Impact on businesses, charities and voluntary bodies

9.2 The impact on business, charities or voluntary bodies is very minor.

9.3 The legislation does impact small or micro businesses.

9.4 The bulk of the NHS charges paid under the ICR Scheme are covered by insurance and will be paid by insurers in addition to the personal compensation payment which the injured person will have secured and therefore there will be minimal impact on small or micro businesses (employing up to 50 people).

9.5 In terms of the potential additional £3.9m as a result of the tariff uplift, this can be broken down as £2.7m for road traffic accidents and £1.2m for non-road traffic accidents (using rounded figures).

9.6 If we assume the £2.7m for road traffic accidents is spread evenly among all holders of compulsory motor insurance, then the average cost per policy could rise annually by 0.01% or around 5 pence per policy per year. These figures are calculated using 2026/27 estimates for net motor premiums of £22.2bn and estimated average annual expenditure per household buying motor insurance in 2026/27 of £965 based on information provided by the Association of British Insurer.

9.7 The remaining £1.2m is likely to be a cost pressure on public liability and employer insurance. If this cost was transferred to the population, for example by lower wages — to cover the increase in employer insurance contributions, and increased tax — to cover the public liability insurance, the annual cost would be around 4 pence per person.

9.8 The impact of requiring insurers and other compensators to provide the injured person's NHS Number, where known, is more difficult to estimate. Our analysis suggests it could give the NHS the opportunity to claim back up to an additional £17m per year. Although a small number of respondents to the consultation noted that the change will result in an increase in costs for insurers and will result in the need to make changes to their systems, nevertheless the responses were overwhelmingly in favour of the proposal.

9.9 It is possible that insurers will choose to pass the increased costs as a result of these changes on to their customers through increased insurance premiums. The responses to the consultation on addition of the NHS number do not give a clear indication that insurers and compensators intend to do this. This change only helps Trusts to trace patients with respect to claims they are already entitled to make.

9.10 The impact on the public sector is minor.

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 and periodically adjust the tariffs using the latest available data and to monitor the impact of the inclusion of the NHS Number

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 This instrument increases the charges recoverable in relation to injuries which occur on or after 1st October 2026 by virtue of regulations made under the 2003 Act. The Joint Committee on Statutory Instruments attention is drawn to the information in paragraph 5 as to how the increases have been calculated.

11.2 The instrument is being laid on 3rd September 2026, allowing more than 21 days before the ICR tariff uplift comes into force on 1st October 2026, which is the next Common Commencement Date. Due to the common commencement date being a set date, some of the parliamentary scrutiny period falls during the recess period on this occasion. The requirement that insurers provide the NHS Number will come into force on 6th April 2027 to allow insurers and the CRU time to make changes to their IT system.

12. European Convention on Human Rights

12.1 As the instrument is subject to negative procedure and does not amend primary legislation, no statement is required.

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.