

Minister for Work and Pensions (Lords) 4th Floor Caxton House Tothill Street LONDON

SW1H 9DA

0207 340 4000

www.gov.uk/dwp

ministers@dwp.gov.uk

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Dear Baroness Janke

Thank you for your interest in the Pneumoconiosis etc. (Worker's Compensation) Act 1979 Scheme and 2008 Diffuse Mesothelioma Scheme (Conditions and Amounts) (Amendment) Regulations 2022 debate on 23 February 2022. During the debate a number of questions were raised, the majority of which I answered, but which I will address below, for completeness.

You asked the Government to look again at equalising payments for sufferers and their dependants. Additionally, Baroness Wilcox asked me to address the impact of disparity on women, who are often the dependants, and asked if there is a cost estimate of providing equal payments.

As I explained to the House, the main intention of these lump sum compensation schemes is to provide financial support to those living with certain diseases and to help them deal with the issues that illness brings. It is right that funding is targeted where it is needed most; that is at those who are suffering with the disease. Around 90% of payments made under both schemes are paid to those who have the diseases.

The Government position remains that we will continue to support both the sufferers of these debilitating diseases and their dependants, by ensuring the benefit rates continue to be uprated annually. In addition, in 2010, we increased the rates payable to dependants by up to a further £5,000 to partially equalise payments to sufferers of these diseases and their dependants.¹ We estimate that to equalise awards for people diagnosed with the disease and dependants in 2022/23 would require an additional £1-3m a year from the DEL budget.²

¹ See <u>Mesothelioma - Hansard - UK Parliament</u> and <u>Mesothelioma Lump Sum Payments (Conditions and Amounts - Hansard - UK Parliament</u> for details.

 $^{^2}$ In 2020/21, total payments made to dependants were £2,048,700 for the Pneumoconiosis Act 1979. Payments to dependants under the 2008 Mesothelioma Scheme were below the threshold for publication. A range has been provided due to multiple methods for calculating the cost of equalisation. Estimate uses 2022/23 person diagnosed with the prescribed disease and dependant rates (to whole pounds). The extension of equalisation to the 2008 scheme is expected to make little difference to this range due to low volumes of dependants for the 2008 scheme.

The intention of the 1979 Act Scheme was to compensate those who contracted diseases as a result of their working environment. Historically, those who worked in hazardous environments tended to be men, and this is reflected in the current gender balance of claims. The 2008 Act Scheme compensates people regardless of whether or not they contracted the disease through work. This recognises the indiscriminate nature of mesothelioma, and would cover those affected through indirect exposure, for example a partner of someone who was directly exposed.

You asked, what the Government's position is on automatic uprating. Uprating the lump sum schemes by the rate of Consumer Price Index (CPI) means that the schemes maintain their value relative to inflation and the cost of living. Uprating the schemes in this way is consistent with the approach taken across other working age, disability, and carer benefits. Each year since 2004, Ministers have agreed that payments under the lump sum schemes should continue to be uprated in this way.

Making uprating 'automatic' is extremely unlikely to make any actual monetary difference to those who benefit from these payments. Additionally, any change would require primary legislation, and this would have to be considered against other legislative priorities.

You stated that the Government needs to ensure more realistic funding for research into lung disease.

Research is crucial in the fight against cancer; that is why, as I explained in the House, the Department of Health and Social Care invests £1 billion per year in health research through the National Institute for Health Research.

For several years, Government has been working actively to stimulate an increase in the level of mesothelioma research activity. This includes a formal research priority-setting exercise, a National Cancer Research Institute workshop and a specific call for research proposals through the National Institute for Health Research.

In 2016 the Government awarded a grant of £5 million from the London Inter-Bank lending Rate (LIBOR) to Imperial College to establish the National Centre for Mesothelioma Research. The centre brings together four leading institutions, all of which have major interest in the treatment of mesothelioma, at the National Heart and Lung Institute.

Baroness Wilcox asked about whether the Health and Safety Executive (HSE) is sufficiently well resourced both to manage the risks to employees as we move out of the pandemic and be mindful of the health risks we may encounter in the future, so that future generations will be better protected.

In 2020, the government made additional funding available for HSE, to support additional advice and regulatory activities, required in response to the pandemic. These included, extra call centre employees, 3rd party spot checks, inspectors, and equipment. £13.1m of expenditure has been incurred on these activities. In 2021 the government provided additional funding of £14m to enable HSE to continue these activities. The focus of the compliance checks has evolved in line with Government advice to protect workers from COVID-19 and now includes issues such as ventilation. This has enabled HSE to continue to check significantly more workplaces, including those enforced by Local Authorities, to help ensure COVID-19 secure status and provide wider assurance that it is safe to return to work. It has also enabled the recruitment of some additional temporary communication resource to amplify this activity across multiple channels. HSE has not bid for any additional resource in 2022/23 with the expectation that these specific pandemic related activities will cease in March 2022.

HSE is reviewing its cost base to deliver HSE's strategic objectives as efficiently and effectively as possible, ensuring that some of the new ways of working that were developed to meet the challenges of the pandemic are embedded in its operations. Over previous Spending Review periods, HSE has demonstrated its ability to focus on driving better value for money, moving more of the cost of regulation to those that create the risk, supporting delivery of the Government's priorities and delivering its regulatory role in a proportionate manner which is valued by the respective industries it regulates.

I trust you will find this reply helpful. I will place a copy of this letter in the House of Lords Library for reference.

Your Sincerely

Delphie Stedman Scott.

BARONESS STEDMAN-SCOTT MINISTER FOR WORK AND PENSIONS (LORDS)