Diffuse Mesothelioma Payment Scheme Official Statistics, April 2014 to September 2015

The Diffuse Mesothelioma Payment Scheme (DMPS) was launched throughout the UK on 6 April 2014. It provides payments to eligible sufferers of diffuse mesothelioma, or their eligible dependants, who were negligently exposed to asbestos during a period of employment, but who are unable to take legal action to seek financial redress via the civil courts. The DMPS is paid for via a levy on the insurance industry. This is the second official statistics publication in this series.

The first publication included data from April 2014 to March 2015. This publication contains all 18 months of data available since the launch of the scheme, with emphasis on the newly released data for the six months from April 2015 to September 2015.

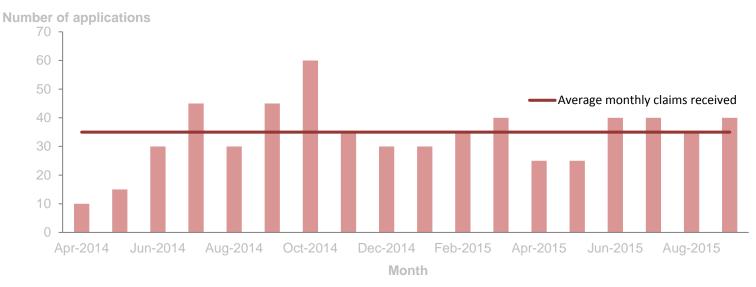
Main findings

Between April 2015 and September 2015, over 200 people made an application to the DMPS. Over half (59%) of these applications have been successful with over £17.3 million in payments awarded in total; the average (mean) award to successful applicants was around £130,000. In the last six months, the mean age at diagnosis for applicants was 72, and the vast majority of applicants have been male.

Across all months, there have only been small numbers of reviews and First-tier Tribunal hearings requested by applicants and no complaints have been received since the Scheme's inception.

Applications appear to be flattening out to an average (mean) of 35 per month

Applications received per month





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Introduction

This release contains statistics reporting on the DMPS, including applications received, success rates and payments.

In this document

The DMPS was established under powers set out in the Mesothelioma Act 2014. It makes payments to people diagnosed with diffuse mesothelioma on or after 25 July 2012 who contracted the disease as a result of negligent exposure to asbestos at work in the United Kingdom, and who are unable to claim damages because the employer no longer exists and the employer's liability insurer cannot be traced. Payments can also be made to eligible dependants of people who have died as a result of the disease before they could make an application to the Scheme.

The Scheme is funded by a levy on the insurance industry. Regulations require active employers' liability insurers to pay an annual levy based on their relative market share for the purpose of meeting the full costs of the Scheme (for example, the capital payments made to applicants, administration costs, costs associated with collecting the levy). In the first year of the Scheme's operation (April 2014 to March 2015) the levy was £32m. The levy for the financial year 2015/16 was announced on 12 January 2016 and set at £23.2m.

Official statistics relating to the Scheme will be released every six months and are sourced from data originally collected by Gallagher Basset International Ltd (the Scheme Administrator) on behalf of the DWP. To reflect any updates, the full historical statistical series will be refreshed with each release and so previous figures may be updated based on new data. For example, applications with pending decisions may become successful or unsuccessful in subsequent releases.

Future Releases

The next release is expected in July 2016. This will contain data for financial year 2015 to 2016.

Summary of additional available data

All the information underpinning the charts and figures featured in this summary is included in accompanying excel tables.

Notes

To avoid disclosing information about individual applicants, all volumes have been rounded to the nearest 5, percentages to the nearest 1per cent, total payment to the nearest £0.1 million and average payments to the nearest £1,000. Consequently, there may be slight discrepancies in final figures due to rounding.

Data covers the period from 1 April 2014 to 30 September 2015 although it is acknowledged that the scheme did not open to receive applications until 6 April 2014.

We welcome feedback on the material provided to improve future releases.

Applications

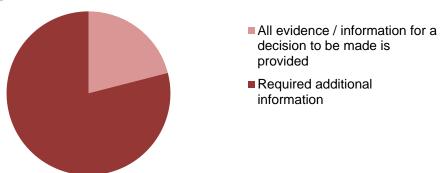
Applications received by the Scheme may be recorded as successful, unsuccessful, withdrawn or have a decision pending.

Over two thirds of applications have been successful



Four fifths of applications required additional information

Applications received by whether additional information was required before a decision could be made



Main findings

Over two thirds (67 per cent) of all applications received to date have been successful. Around one fifth (22 per cent) of applications have been unsuccessful, 7 per cent have pending decisions and 4 per cent have been withdrawn. Over the next few months pending applications will turn into successful or unsuccessful, which will be recorded under the month the application was received.

Removing pending applicants, 72 per cent of applications received in the first 12 months were successful; this figure was unchanged for the following six months.

Across all months, just fewer than four out of five (79 per cent) applications received required more information than was initially provided in order for a decision to be made. Where an applicant believes they are entitled to claim, early completion of the application is encouraged. The Scheme Administrator acknowledges receipt and holds the claim until all the necessary evidence is provided by the applicant. Some evidence can be more difficult to obtain, for example, if the applicant is required to trace ex-employers/employers' liability insurers where a significant time lapse may have occurred.

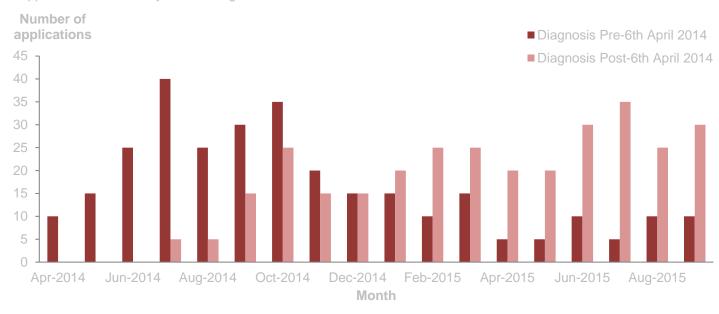
The share of those requiring more information in the last six months compared with the previous 12 has decreased from 80 per cent to 76 per cent.

Applicants

The Scheme launched on 6 April 2014, accepting applications from individuals diagnosed with diffuse mesothelioma on or after 25 July 2012.

Number of applicants diagnosed pre-6th April 2014 has tailed off

Applications received by date of diagnosis



Main findings

Initially the bulk of applications received related to a diagnosis pre-6 April 2014. This may have included a 'stock' of eligible people waiting for the Scheme to open. Since January 2015 more applications have been received from individuals diagnosed after the Scheme was launched on 6 April 2014 than from those diagnosed pre-6 April 2014.

The majority of applicants have been male



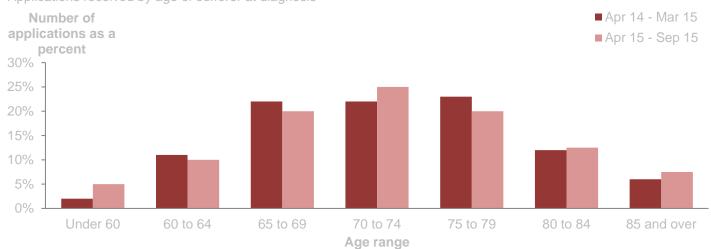
The vast majority (94 per cent) of applicants (those diagnosed with diffuse mesothelioma) have been male. In the last six months this has decreased to 93 per cent, from 95 per cent in the first 12 months. The higher male figures reflect the professions where exposure to asbestos and therefore the risk of suffering from diffuse mesothelioma have been high. For example carpenters, plumbers, electricians, dockers, ship builders and metal workers in the 1960s and 70s. [Source: Institute of Cancer Research and the London School of Hygiene and Tropical Medicine for HSE (2009) "Occupational, domestic and environmental mesothelioma risks in Britain."]

Applicant Age

There are no age restrictions on applicants but the amount received will depend on the age of the applicant when diffuse mesothelioma was diagnosed.

Applicants age at diagnosis predominantly in the 65 to 79 age group

Applications received by age of sufferer at diagnosis



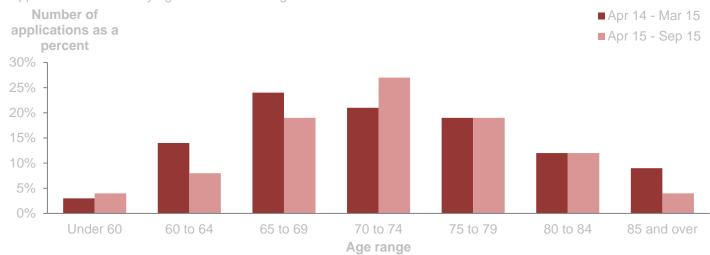
Main findings

There has been no dramatic change in applicant age range spread in the last six months compared to the previous 12.

In the last six months, 130 (65 per cent) of applicants were aged between 65 and 79 when they were diagnosed with diffuse mesothelioma. The average (mean) age of applicants at the time of diagnosis was 72 for the last six months, a decrease from 73 for the previous 12 months. Only 30 (15 per cent) applicants were aged under 64 and only 40 (20 per cent) were aged over 80.

Successful applicants age at diagnosis predominantly in the 65 to 79 age group

Applications received by age of sufferer at diagnosis



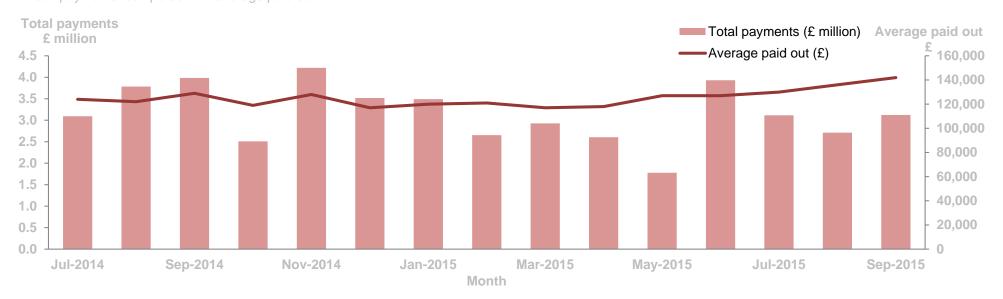
The average (mean) age of successful applicants at the time of diagnosis was 73. Almost two thirds (65 per cent) were aged between 65 and 79.

Payments

Between April 2014 and February 2015 the Scheme regulations specified that successful applicants be paid equivalent to 80% of the average payment they would have received if they had been successful through the civil courts system. In February 2015, the scheme's tariff payment was increased to 100% of average equivalent civil compensation payments. Due to the time taken from application to decision, generally, the full effects of the change are not seen in average award figures until May 2015 onwards.

Over £47.4 million awarded in compensation

Total payments compared with average paid out



Main findings

Since July 2014, a total of £47.4 million has been awarded. This consists of £38.0 million of direct payments to applicants and £9.5m which was repaid to the Department for Work and Pensions. Where a person has already received government payments in respect of diffuse mesothelioma, this money is recovered from Scheme payments in accordance with the well-established principle that people should not receive money twice in respect of the same injury or disease. The liability to repay social security benefits rests with the person who makes the compensation payment (in this case the Scheme Administrator) and not the person suffering from the disease.

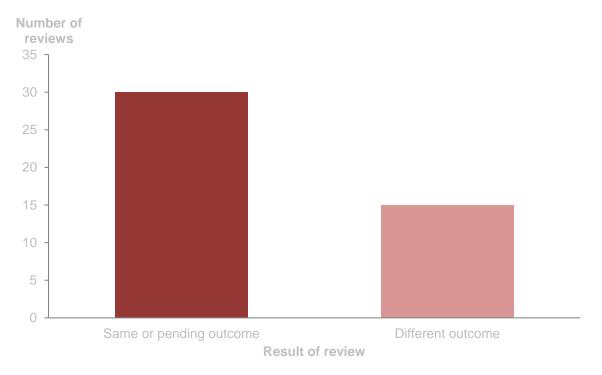
The average (mean) award to successful applicants for the last six months was around £130,000, up from £122,000 in the first 12 months.

Unsuccessful Applications and Complaints

An unsuccessful applicant may request the Scheme Administrator conduct a review of the original decision. Depending on the outcome of that decision the case may be referred to a First-tier Tribunal; applicants are also able to make formal complaints.

One third of reviews resulted in a different outcome for the applicant

Result of reviewed decisions



Main findings

Of the 135 unsuccessful applicants across all months, there have been five reviews in the last six months, and 40 in the 12 months before that. Combined, a third of these 45 reviewed decisions resulted in a different outcome. This was often because additional information was supplied by the applicant that had not been available to the Scheme Administrator at the time of the first decision.

15 applicants were unhappy with their review decision and chose to refer their case to the First-tier Tribunal in the first 12 months, but there have been no such cases in the six months to September 2015.

There have been no complaints made by applicants since the Scheme was first introduced.

Notes

Useful links

More information can be found about the Diffuse Mesothelioma Payment Scheme at: https://mesoscheme.org.uk or www.gov.uk/diffuse-mesothelioma-payment/overview

The April 2014 to March 2015 publication can be found at: https://www.gov.uk/government/statistics/diffuse-mesothelioma-payment-scheme-financial-year-2014-to-2015

Other National and Official Statistics

Details of other National and Official Statistics produced by the Department for Work and Pensions can be found on the DWP website at the following links:

- A list of Tabulation Tools: https://www.gov.uk/government/organisations/department-for-work-pensions/series/dwp-statistics-tabulation-tool;
- A schedule of statistical releases over the next 12 months and a list of the most recent releases: https://www.gov.uk/government/organisations/department-for-work-pensions/about/statistics;
- In accordance with the Code of Practice for Official Statistics, all DWP National Statistics are announced at: https://www.gov.uk/government/statistics/announcements

In addition, users can find links to DWP additional statistical analyses that have not been included in our standard publications at: https://www.gov.uk/government/organisations/department-for-work-pensions/series/ad-hoc-statistical-publications-list

If you would like to receive occasional e-mails from DWP to directly inform you of documents seeking the views of users, please email general.statistics@dwp.gsi.gov.uk giving details of the DWP publications you use.