

Diffuse Mesothelioma Payment Scheme

Financial year 2014 to 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.

Main findings

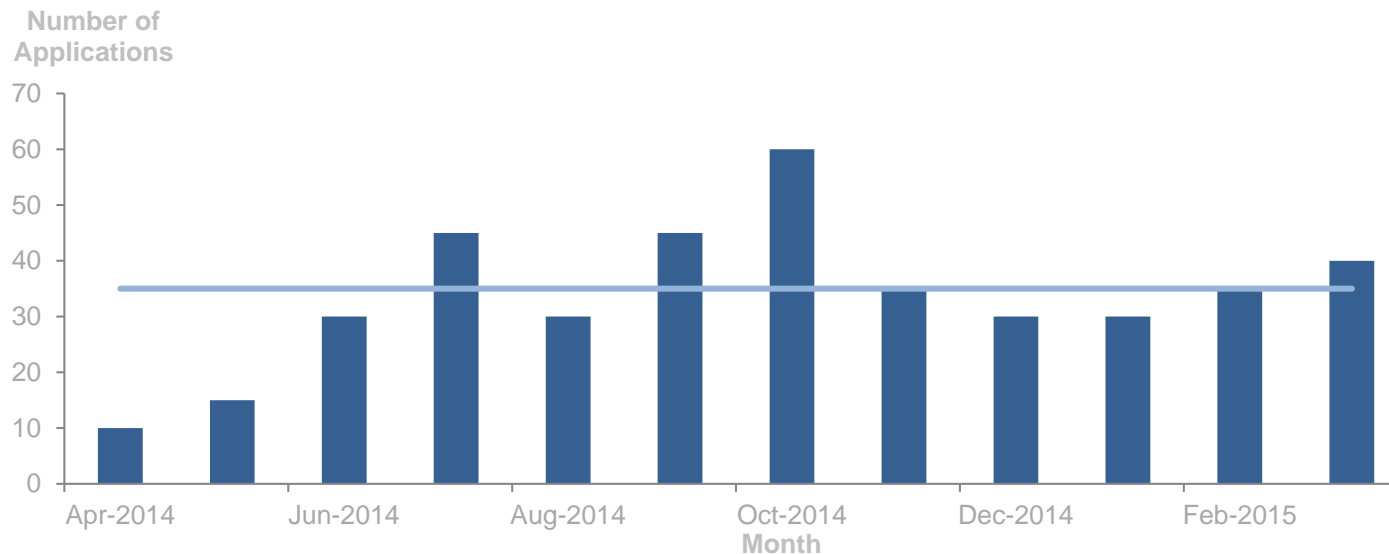
Over 400 people have made an application to the Diffuse Mesothelioma Payment Scheme in the first year after it was launched on 6 April 2014. **Almost two thirds of these 400 applications have been successful with over £30.2 million in payments awarded during the first year of the Scheme;** the average (mean) award to successful applicants was around £122,000.

The mean age at diagnosis for applicants was 73 and the vast majority of applicants have been male.

There have only been small numbers of reviews and First-tier Tribunal hearings requested by applicants and no complaints were received during the Scheme's first year. Almost four fifths of applications required additional information to be provided before a decision could be made.

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

Applications received per month



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Pensions

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Contents

Introduction	2
Applications	3
Applicants	4
Applicant Age	5
Payments	6
Unsuccessful Applicants and Complaints	7
Notes	8

Introduction

This release contains the first statistics reporting on the Diffuse Mesothelioma Payment Scheme, including applications received, success rates and payments.

In this document

The Diffuse Mesothelioma Payment Scheme 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.

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 January 2016. This will contain data to the end of September 2015.

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.

Data covers the period from 1 April 2014 to 31 March 2015 although it is acknowledged that the scheme did not open for receiving applications until 6 April 2014.

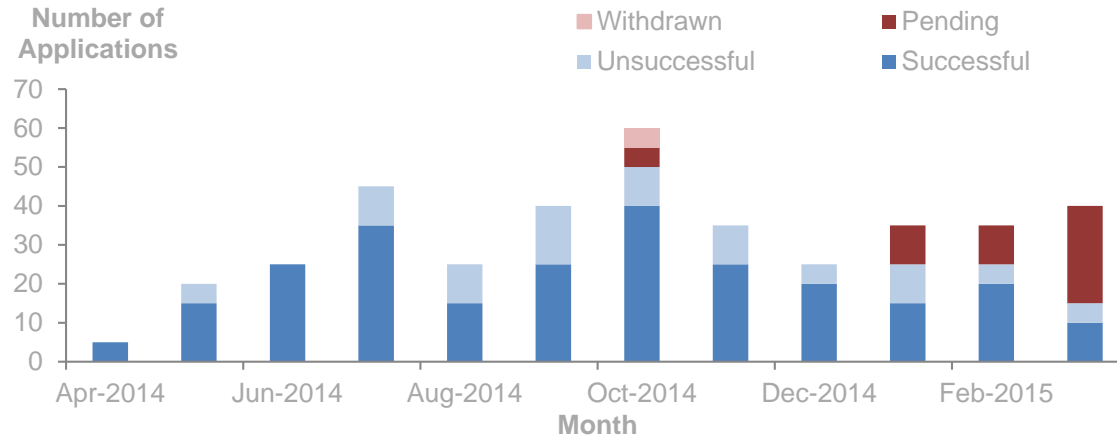
This is an experimental statistic so the content of future releases is subject to change. We welcome feedback on the material provided to improve future releases.

Applications

Applications received by the Scheme may be recorded as successful, unsuccessful, withdrawn or have a decision pending.

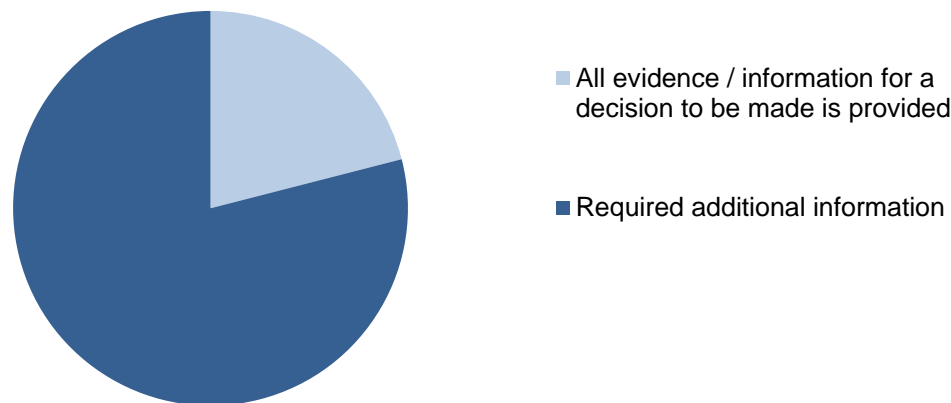
Almost two thirds of applications have been successful

Applications received by claim status (successful, unsuccessful, pending, withdrawn)



Four fifths of applications required additional information

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



Main findings

Almost two thirds (62 per cent) of applications received in the financial year 2014 to 2015 have been successful.

Over one fifth (22 per cent) of applications have been unsuccessful, 12 per cent have pending decisions and 2 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.

Of the 345 applications that have had a decision made on them, 255 or 74 per cent were successful.

Four out of five (79 per cent) applications received required more information than was initially provided in order for a decision to be made.

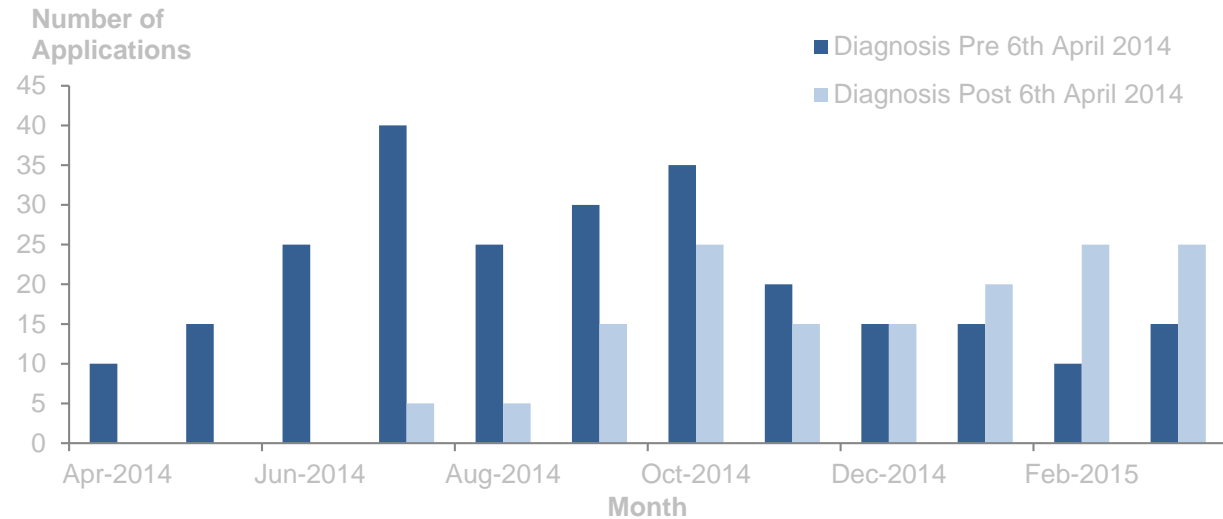
Where an applicant believes they are entitled to claim, early completion of the application is encouraged. The Scheme Administrator acknowledges receipt and holds the claim until all the necessary evidence is provided by the applicant. Some evidence can be more difficult to obtain, if the applicant is required to trace ex-employers/employers' liability insurers where a significant time lapse may have occurred.

Applicants

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

The first 6 months were dominated by applicants with a diagnosis pre-6 April 2014 but this 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 (95 per cent) of applicants (those diagnosed with diffuse mesothelioma) have been male. This reflects 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."]

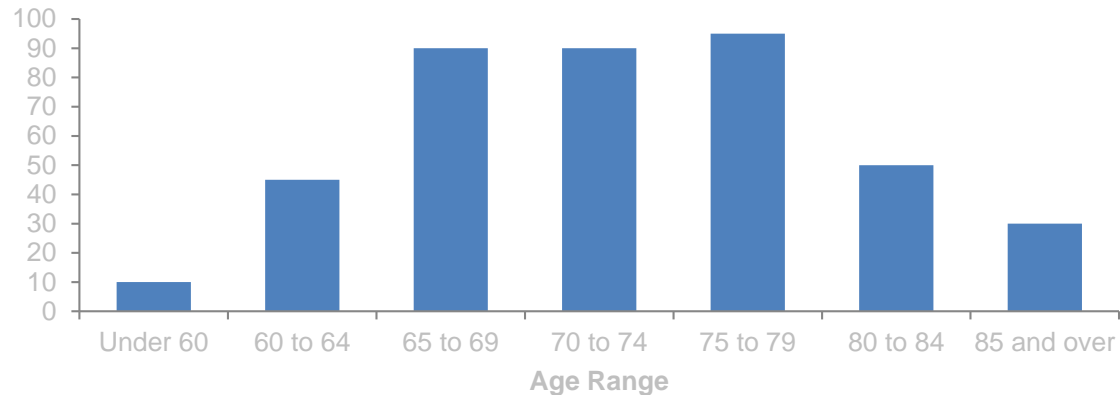
Applicant Age

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

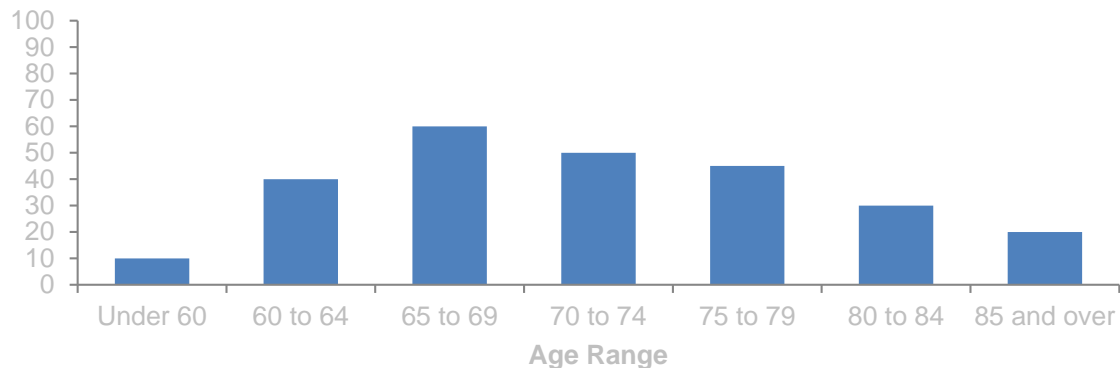
Number of Applications



Successful applicants age at diagnosis predominantly in the 65 to 69 age group

Applications received by age of sufferer at diagnosis

Number of Applications



Main findings

275 (68 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 73.** Only 55 (13 per cent) applicants were aged under 64 and only 80 (19 per cent) were aged over 80.

The average (mean) age of successful applicants at the time of diagnosis was 72. 155 (62 per cent) of 255 successful applicants were aged between 65 and 79.

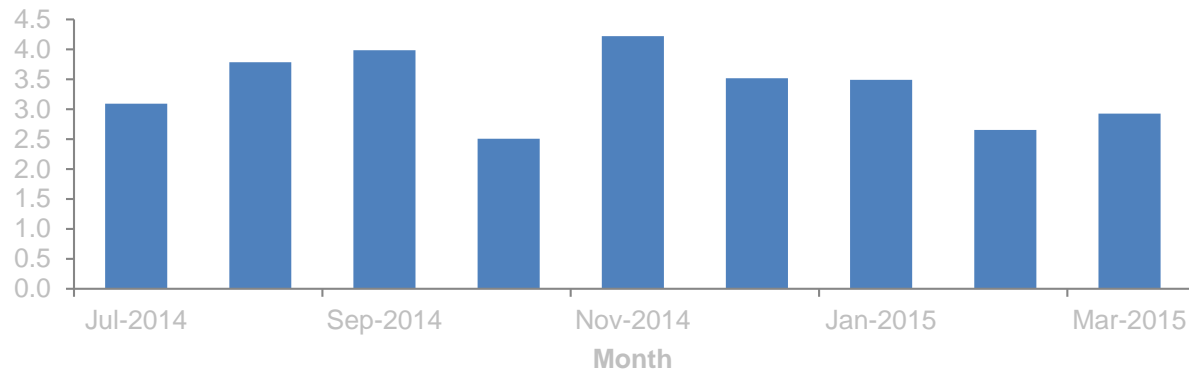
Payments

For the first ten months of the Scheme the regulations specified that successful applicants be paid equivalent to 80 per cent of the average payment they would have received if they had been successful through the civil courts system. The regulations later changed and mandated that successful applicants be paid 100 per cent of the average equivalent civil compensation payment for people diagnosed with diffuse mesothelioma on or after 10 February 2015.

Over £30.2 million awarded in compensation

Total payments made

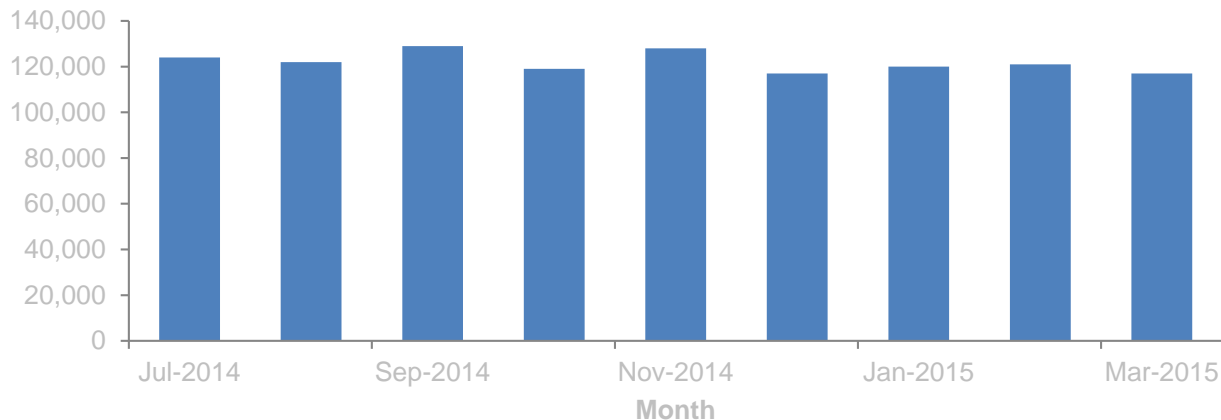
£ million



Average (mean) award £122,000

Average (mean) payments made

£



Main findings

Since July 2014 (when payments could first be made under the Scheme) a total of £30.2 million has been awarded. This consists of £24 million of direct payments to applicants and £6m 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.

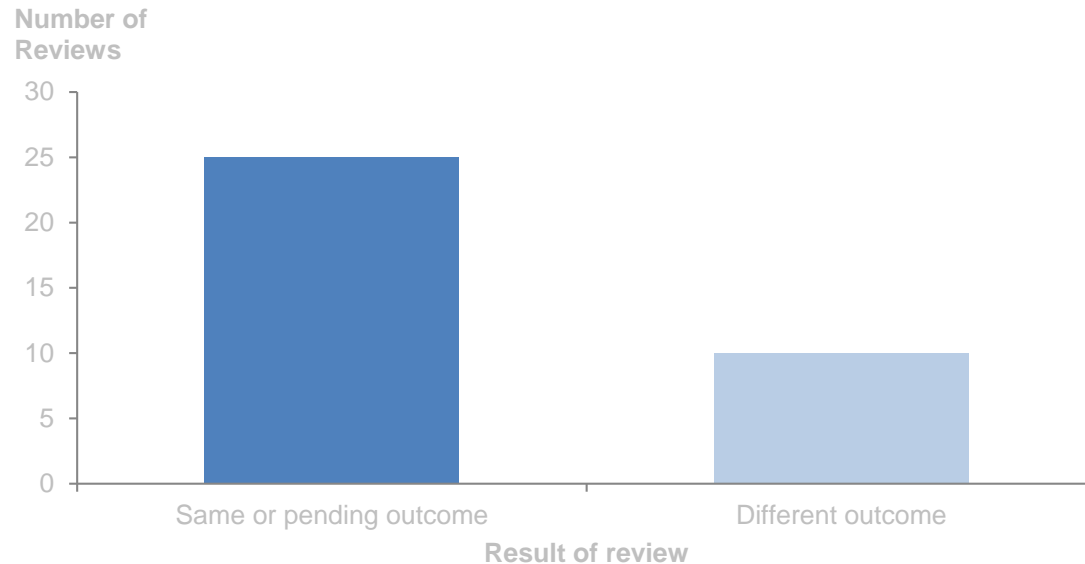
The average (mean) award has been around £122,000.

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

Result of reviewed decisions



Main findings

There have been 35 reviews of the 345 decisions made between April 2014 and March 2015. **Around one third of these 35 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.

There were 15 upheld review decisions referred to a First-tier Tribunal but most First-tier Tribunal decisions were still pending as of 31 March 2015.

There have been no complaints made by applicants during the first year of the Scheme.

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

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 also announced via the UK Statistics Authority publication hub at: http://www.statistics.gov.uk/hub/statistics-producers/publications/index.html?newquery=*%26source-agency=Work+and+Pensions%26pagetype=release-landing-page

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.