

# Statement to Parliament: Justice update

Earlier today, I notified the market via the London Stock Exchange group that I would today lay a Statutory Instrument to change the discount rate applicable to personal injury lump sum compensation payments, to minus 0.75%.

Under the Damages Act 1996, I, as Lord Chancellor, have the power to set a discount rate which courts must consider when awarding compensation for future financial losses in the form of a lump sum in personal injury cases.

The current legal framework makes clear that claimants must be treated as risk averse investors, reflecting the fact that they may be financially dependent on this lump sum, often for long periods or the duration of their life.

The discount rate was last set in 2001, when the then-Lord Chancellor, Lord Irvine of Lairg, set the rate at 2.5%. This was based on a three year average of real yields on index-linked gilts.

Since 2001, the real yields on index-linked gilts has fallen, so I have decided to take action.

Having completed the process of statutory consultation, I am satisfied that the rate should be based on a three year average of real returns on index-linked gilts. Therefore I am setting it at minus 0.75%. A full statement of reasons, explaining how I have decided upon this rate, will be placed in the Libraries of both Houses. The Statutory Instrument to effect this change has been laid today, and will become effective on 20 March 2017.

There will clearly be significant implications across the public and private sector. The government has committed to ensuring that the NHS Litigation Authority has appropriate funding to cover changes to hospitals' clinical negligence costs. The Department of Health will also work closely with General Practitioners (GPs) and Medical Defence Organisations to ensure that appropriate funding is available to meet additional costs to GPs, recognising the crucial role they play in the delivery of NHS care.

The government will review the framework under which I have set the rate today to ensure that it remains fit for purpose in the future. I will bring forward a consultation before Easter that will consider options for reform including: whether the rate should in future be set by an independent body; whether more frequent reviews would improve predictability and certainty for all parties; and whether the methodology – which in effect assumes that claimants would invest only in index-linked gilts – is appropriate for the future. Following the consultation, which will consider whether there is a better or fairer framework for claimants and defendants, the government will bring forward any necessary legislation at an early stage.

I recognise the impacts this decision will have on the insurance industry. My Rt. Hon. Friend the Chancellor will meet with insurance industry representatives to discuss the situation.

---

## [Green Party: Government is targeting disabled to balance its books](#)



27 February 2017

The Green Party is deeply concerned by proposed changes to PIP payments, which will affect more than 160,000 people [1].

George Freeman MP defended the proposal by saying disability benefits should go to “really disabled people” not those “taking pills at home, who suffer from anxiety” [2].

Jonathan Bartley, Green Party co-leader, said:

“The Government by its own admission is targeting the disabled to try to balance its books. This ruthless and underhand move is designed simply to cut disability benefits, regardless of the impact on people’s lives.

“The Government is deliberately going against the two tribunals that ruled the payments should have more reach, not less. George Freeman’s defence of these changes was appalling and revealed a lack of understanding and nothing less than discrimination against people who face serious health conditions like anxiety. His comments are part of the terrible stigma that still exists around mental health, and reinforces it.

“With the Spring Budget approaching the Government should urgently reconsider its plans. This will hurt thousands of people, put up more social barriers and restrict them from going about their daily lives. Disabled people should not be penalised and forced to pay for a budget deficit which they did not create.”

Mags Lewis, Green Party disability spokesperson, said:

“Disabled people are already on the brink, having faced vicious cuts, confusing benefit changes, and Government indifference. Now the Government is planning to change the goal posts yet again. As a disabled person, I know these constant onslaughts cause anxiety, hardship, and terror to disabled people’s lives. Why are we seen as an easy target for cuts? We must unite against this onslaught, fight in the courts and be heard by our Government. Enough is enough.”

**Notes:**

1. <http://www.mirror.co.uk/news/politics/benefits-cut-change-tory-pip-9906018?service=responsive>
2. <http://www.bbc.co.uk/news/uk-39097019>

[Tweet](#)

[Back to main news page](#)

[Let's block ads! \(Why?\)](#)

---

## [Valleys Taskforce rolls into town](#)

The Ministerial Taskforce for the South Wales Valleys has been holding a series of public meetings across the region to seek the views of communities about priorities for their local areas and this week the taskforce are meeting at the Cynon Valley Indoor Bowls Centre in Mountain Ash.

Speaking ahead of the meeting Alun Davies said:

“Understanding and awareness of the work of the taskforce is growing and the engagement sessions we’ve held to date have been invaluable in helping to shape our priorities. It is vital we continue to work with and listen to communities and ensure we keep this momentum going.

“From the discussions we’ve had with the public so far, some key themes have emerged. These include the importance of linking businesses with local schools to give young people the confidence and skills they need to enter into the world of work and the importance of linking infrastructure like industrial sites, schools, colleges and transport initiatives together, ensuring true connectivity for the valleys.

“I would urge anyone who feels passionately about where they live to engage with the work of the taskforce and have their say. We’re here to listen and your views will help shape our shared vision for the valleys.”

The taskforce was set up by the Welsh Government in July and aims to build on work previously undertaken across the South Wales Valleys in a more coordinated and targeted way to meet the needs of valley communities.

To learn more about the work of the taskforce or to sign up to attend one of the public meetings, please visit the [Facebook](#) page.

---

## [Press release: People urged to have their say before A303 Stonehenge consultation ends](#)

People still have a chance to give their views on proposals to improve the A303 past Stonehenge as part of a major roads package to cut congestion in the south west.

Consultation on the proposals for the Highways England dualling scheme continues until March 5 and anyone who would like to comment can still do so [via the scheme consultation website](#).

Project director Derek Parody said:

The consultation on plans to relieve congestion on the A303 around Stonehenge is ongoing and the feedback we receive from everyone is really important in helping us to develop our proposed option.

We are delighted with the response so far with more than 2,500 people attending our ten information events.

The consultation website is still live and we would urge anyone who would like to comment on the proposals to do so before consultation ends on March 5.

A single carriageway section of the A303 currently runs alongside the Stonehenge monument. The proposed option is to move the road further away from the stones and put it underground in a 1.8 mile dual carriageway tunnel.

This would improve journey times for the tens of thousands of tourists, commuters, businesses and local people that use the road every day, as well as remove the sight and sound of traffic from this part of the world heritage site.

The Highways England proposals also include a bypass for the village of Winterbourne Stoke and improvements to existing junctions between the A303 and the intersecting A345 and A360 north-south roads. The upgrade will develop the A303 corridor into a high quality, high performing route linking the M3 in the south east and the M5 in the south west, improving journeys for millions of people.

Following consultation the preferred route will be announced later in 2017 and is subject to the completion of statutory procedures for development consent.

## General enquiries

Members of the public should contact the Highways England customer contact centre on 0300 123 5000.

## Media enquiries

Journalists should contact the Highways England press office on 0844 693 1448 and use the menu to speak to the most appropriate press officer.

---

# Green light for highly successful blue light model

The decision comes off the back of a positive independent evaluation of the model commissioned by the Emergency Ambulance Services Committee (EASC).

The clinical response model, announced in summer 2015, moves away from historic time-based targets for all but the most immediately life-threatening or 'Red' calls. It places a greater focus on patient outcomes, prioritising those in most need of an urgent response.

The target is for 65 per cent of the most urgent 'Red calls' to be responded to in eight minutes. The 65% target has been achieved each month since the trial started in October 2015; performance has continued to improve and in each of the last 9 months, more than 75% of red calls have received an emergency response within eight minutes.

Health Secretary Vaughan Gething said:

"Since the implementation of the new clinical response pilot, the Welsh Ambulance Service has improved its performance significantly.

"The independent evaluation published today backs our decision to take the bold step to adopt the new model, following the successful pilot. The fact they found there to be clear and universal acknowledgement, both from within the ambulance service and external partners, that moving to the new model was appropriate and the right thing to do, is excellent news.

"I also welcome that the report confirms response time performance for those in most need of an immediate clinical intervention has improved substantially. The latest ambulance statistics confirm this with a standard response time of less than five minutes to immediately life-threatening calls in each of the last six months.

"I'd like to thank Welsh Ambulance Service, the ambulance service call handlers, clinicians, volunteers and other staff for their hard work in making the model the success it has been.

"It's fantastic that the pilot has attracted global interest and the Welsh ambulance service has not only been invited to provide advice to a number of ambulance services in England and Scotland, but further afield to Canada, New Zealand, Australia, USA and Chile. The Scottish Ambulance Services Trust is currently undertaking a nationwide pilot of a very similar model to our own.

"It is crucial that we now grasp the opportunity and continue to lead the way internationally in this important area for the benefit of the people of Wales."