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STATUTORY INSTRUMENTS

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**2020 No. 103**

**The Victims' Payments Regulations 2020**

**PART 5**

Payments

**Adjustment in respect of past compensation**

- 20.**—(1) This regulation applies in a case where—
- (a) a person is determined to be entitled to victims' payments in respect of disablement suffered by that person or another person, but
  - (b) compensation has previously been paid to the person so entitled in respect of that disablement, and
  - (c) the compensation referred to in sub-paragraph (b) exceeds the amount of exempted compensation.
- (2) The reference in paragraph (1)(b) to the payment of compensation is a reference to the payment of compensation—
- (a) in proceedings on a claim,
  - (b) in settlement of a claim (whether or not proceedings on the claim were brought before a court), or
  - (c) under a scheme established under a statutory provision.
- (3) The Board may, to the extent [F1it] considers appropriate, adjust the amount of victims' payments payable to the person in respect of the amount compensation mentioned in paragraph (1) (b) which is in excess of the amount of exempted compensation.
- (4) In considering whether, and to what extent, to exercise the power in paragraph (3), the Board must have regard in particular to —
- (a) the amount of compensation referred to in sub-paragraph (b) which is in excess of the amount of exempted compensation;
  - (b) the period of time since any such compensation was paid, and
  - (c) any other factor the Board considers relevant.
- (5) The exempted amount of compensation is calculated by taking the following three steps.
- (6) The first step is to calculate the amount a person would have received had they been entitled to victims' payments from the date of the relevant incident, by multiplying together—
- (a) the number of weeks since the relevant incident, and
  - (b) the appropriate rate.
- (7) The second step is to adjust the amount calculated under step 1 for inflation, using the ratio published by the Treasury and known as the Gross Domestic Product deflator by reference to the period—
- (a) beginning with the date of the relevant incident, and

- (b) ending with the date of the determination of the person's entitlement to victims' payments.
- (8) The third step is to further adjust the amount calculated under step 1 to reflect the time value of money, with reference to the Bank of England base rate.
- (9) Subject to paragraph (10), in this regulation “the appropriate rate” has the meaning given by regulation 18.
- (10) In a case where disablement is caused by more than one relevant incident—
- (a) the amount of exempted compensation is calculated by taking the sum of calculations carried out under paragraph (5) in respect of each incident, and
  - (b) the appropriate rate, in relation to a particular incident, means the rate specified from time to time in column 2 of the table in Part 2 of Schedule 1 to The Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 corresponding to the assessed degree of disablement attributable to that incident.
- (11) The Bank of England base rate means—
- (a) the rate announced from time to time by the Monetary Policy Committee of the Bank of England as the official dealing rate, being the rate at which the Bank is willing to enter into transactions for providing short term liquidity in the money markets, or
  - (b) where an order under section 19 of the Bank of England Act 1998 <sup>M1</sup> is in force, any equivalent rate determined by the Treasury under that section.

**F1** Word in [reg. 20\(3\)](#) substituted (25.7.2023) by [The Victims' Payments \(Amendment\) Regulations 2023 \(S.I. 2023/742\)](#), regs. 1(1), **2(8)**

**Commencement Information**

**II** Reg. 20 in force at 29.5.2020, see [reg. 1\(3\)](#)

**Marginal Citations**

**M1** 1998 c. 11.

**Changes to legislation:**

There are currently no known outstanding effects for the The Victims' Payments Regulations 2020, Section 20.