



Ministry  
of Justice

# Personal Injury Discount Rate:

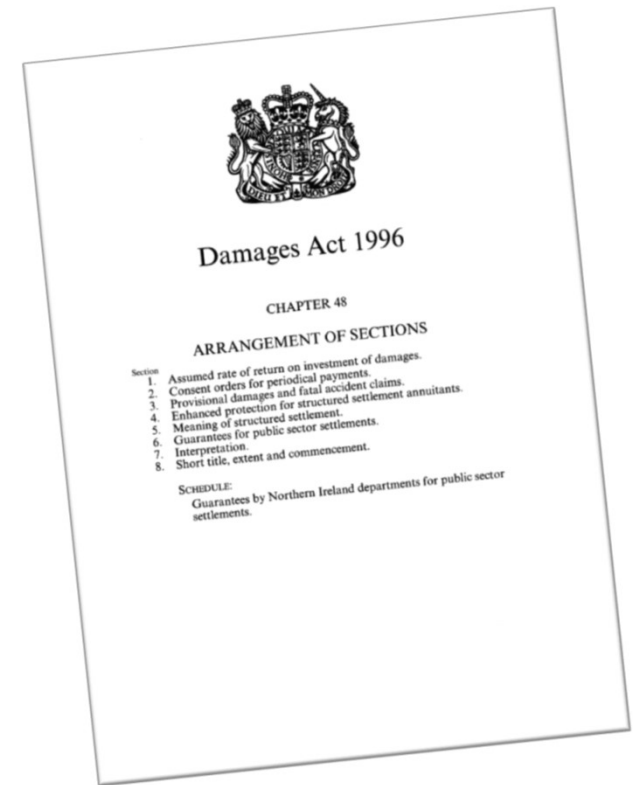
Exploring the option of a dual/multiple rate

November 2022



# Personal Injury Discount Rate: Background and the legal basis for setting the rate

- i. The Personal Injury Discount Rate
- ii. The Damages Act 1996
- iii. The Civil Liability Act 2018



## Personal Injury Discount Rate: Why are we interested in a dual or multiple PIDR

- i. 2019 Review of the Personal Injury Discount Rate
- ii. Government Actuary's advice to the Lord Chancellor
- iii. Lord Chancellors Statement of Reasons

## Personal Injury Discount Rate: Purpose of this Call for Evidence

- To seek evidence and input from expert stakeholders, not to decide whether there should be a change to dual/multiple PIDR;
- Responses received will be collated and a summary response document will be published;
- All evidence submitted will be provided to the Expert Panel, who will advise the Lord Chancellor on setting the next PIDR; and
- The purpose of today's session is for MoJ to provide you with information on what will be covered by the call for evidence and for you to feedback on its scope and the questions it will ask.

## Personal Injury Discount Rate: Examples of dual/multiple PIDRs in other international jurisdictions

### Case studies included in the call for evidence:

- i. Ontario, Canada (Short and long-term dual rate)
- ii. Hong Kong (Short, medium and long-term multiple rate)
- iii. Jersey (Short and Long-term dual rate)
- iv. Ireland (Heads of loss multiple rate)

## Personal Injury Discount Rate: Exploring how dual/multiple rates work

### Topics of interest and key questions 1

- i. Pros and cons of dual/multiple rates set by duration and optimum switching points
- ii. Pros and cons of heads of loss approach
- iii. Key questions

## Personal Injury Discount Rate: Exploring how dual/multiple rates work

### Topics of interest and key questions 2

The effects and impacts:

- arising from the implementation of a dual rate;
- on investment portfolios, tax and expenses;
- on inflation and claimant outcomes

## Personal Injury Discount Rate: Exploring how dual/multiple rates work

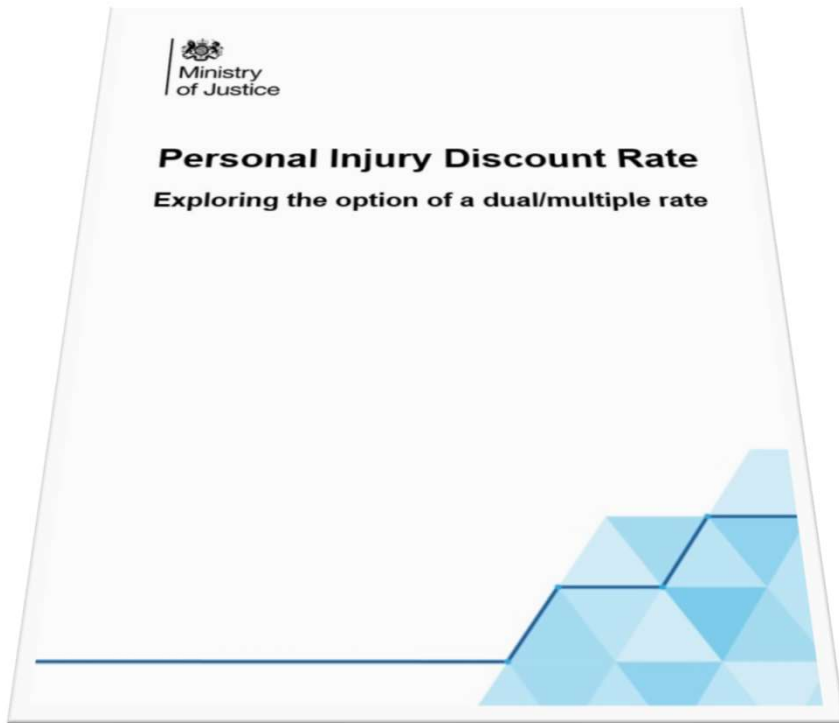
### Topics of interest and key questions 3

PPOs:

- what is happening with PPOs; and
- PPOs and inflation.



## Personal Injury Discount Rate: Open forum



- **Are there any other areas that you would like the call for evidence to explore?**
- **What other questions should the call for evidence ask?**
- **What types of evidence and/or data do you think you could provide?**