



This bulletin relates to claims brought against the Ministry of Defence for compensation at common law (other than those arising out of contract disputes). These are dealt with by the Claims Unit within the Department's Directorate of Judicial Engagement Policy (DJEP), by contractors operating in accordance with instructions provided by the Claims Unit, or by delegated authorities¹.

Key Points

- Total payments by MOD for compensation claims and associated costs in Financial Year 14/15 (not including those arising out of contract disputes) were **£85.1M**. This does not include MOD legal costs which totalled £11.8M exclusive of staff costs. Over the same period recoveries totalling around **£1.6M** were made.
- The highest value claim that was settled on all costs in 14/15 was for clinical negligence. The total value of this claim (damages and claimants' costs) was just under **£2.4M**.
- The total number of new claims brought against MOD was **5814**. This represents a decrease of around 15% compared with 13/14.
- **1898** Service Personnel Employer's liability claims were settled in 14/15. In-year expenditure² on Service Personnel Employer's liability claims was just under **£52M**.
- **336** Civilian Employer's Liability claims were settled in 14/15. In-year expenditure on Civilian Employer's liability claims was around **£15M**.
- **1400** Public Liability claims were settled in 14/15, of which 1154 were third party motor claims in the UK. In-year expenditure on Public Liability claims was just under **£8M** of which **£4.5M** was accounted for by motor claims.
- **21** Clinical Negligence claims were settled in 14/15. In-year expenditure on Clinical Negligence claims was **£5.8M**.
- The in-year expenditure on structured settlements/periodic payments was just under **£2.9M**.
- **681** claims were settled by delegated authorities¹ in 14/15. The in/year expenditure for delegated authorities was **£1.4M** with recoveries in excess of **£218,000**.

1. Delegated authorities such as overseas Area Claims Offices (ACOs) and the Defence Infrastructure Organisation (DIO)

2. In- year expenditure is inclusive of damages and other costs, such as claimants' legal costs and medical fees. It does not include MOD legal costs. Expenditure may include interim payments for active claims as well as final payments for settled claims.

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Further information/mailling list:

Would you like to be added to our **contact list**, so that we can inform you about updates to these statistics and consult you if we are thinking of making changes? You can subscribe to updates by emailing DJEP-ClaimsGeneral@mod.uk

Introduction

When compensation claims are received they are considered on the basis of whether or not the Ministry of Defence has a legal liability to pay compensation. A payment of compensation in circumstances where the Department does not consider that a court would find it liable would count as an ex gratia payment, and the Department is not empowered to make such payments without Treasury authorisation, which is rarely sought or given. The only exceptions to this rule relate to claims arising from low flying and to certain claims settled in theatre by Area Claims Officers.

The amount of compensation paid is determined by common law principles which broadly take account, as appropriate, of such factors as an individual's pain and suffering, degree of injury, property losses, past and future financial losses and level of care required. Advice is sought where necessary from the Government Legal Department, and the Department's commercial claims handlers' panel solicitors for cases brought in England and Wales; the Crown Solicitor in Northern Ireland; and Morton Fraser Solicitors, the Department's legal adviser in Scotland. Counsel are also consulted on high profile or complex cases or where a point of law needs to be explored. The majority of cases are settled through negotiation in order to save the parties the additional costs of a court appearance. This bulletin does not distinguish between compensation ordered by a court and compensation paid pursuant to a negotiated settlement.

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Section 1 Compensation claims made against the MOD

The total number of new claims brought against MOD in 14/15 was 5814. This represents a decrease of around 15% compared with 13/14. There has been a significant reduction in the area claims office in Afghanistan where claims have dropped as a result of the withdrawal of troops from the area (399 claims received in 13/14 compared to 33 in 14/15). There has also been a fall in the number of claims received for noise-induced hearing loss cases, although it still remains the most commonly claimed for condition in the employer's liability claims category. The number of Public Liability claims peaked in 13/14 owing to the large number of Iraq Civilian Litigation claims (617). In 14/15 189 Iraq Private Law Public Liability claims have been served.

Table 1 New claims, by category (1 Apr 2014 – 31 Mar 2015)

	Number of claims
Total new claims brought	5 814
Public Liability	2 153
Motor	1 571
<i>Personal injury</i>	245
<i>Property/ vehicle damage</i>	1 320
<i>Vehicle overseas</i>	6
Other Public Liability	582
<i>Iraq Private Law</i>	189
<i>Personal Injury</i>	186
<i>Low flying</i>	96
<i>NI Security Forces</i>	30
<i>Maritime</i>	8
<i>Other¹</i>	73
Employer's Liability	2 887
Service	2 381
<i>Noise-induced hearing loss</i>	1 838
<i>Non-freezing cold injury</i>	145
<i>Other</i>	398
Civilian²	506
<i>Noise-induced hearing loss</i>	202
<i>Inhalation or Ingestion of Asbestos</i>	139
<i>Other</i>	165
Clinical negligence	95
Other	679
Area Claims Offices (ACOs)	663
Defence Infrastructure Organisation (DIO)	16^p

Source: Directorate of Judicial Engagement Policy Common Law Claims & Policy team

1. This category includes, for example, property damage claims which usually come from personnel working and living in service accommodation who have had their belonging damaged by poor maintenance of their accommodation or infrastructure
2. All MOD civilian employees including members of the Ministry of Defence Guard Service (MGS) and Ministry of Defence Police (MDP).

p This is a provisional figure. The MOD is aware of 16 settled cases but the number of claims received may be slightly higher.

Section 2 Settled compensation claims notified

In this Section, the term settled means claims that were fully determined. In total 3655 claims were settled on all costs in 14/15 either out of Court or by Court verdict. The financial year in which settlement is recorded is not necessarily the year in which the damages were paid. This category does not include any discontinuances, strikeouts via the Courts or repudiations by the Claims Unit or by delegated authorities.

Table 2 Settled claims, by category (1 Apr 2014 – 31 Mar 2015)

	Number of claims
Total claims settled	3 655
Public Liability	1 400
Motor	1 164
<i>Personal injury</i>	240
<i>Property/ vehicle damage</i>	914
<i>Vehicle overseas</i>	10
Other Public Liability	236
<i>Personal injury</i>	96
<i>Low flying</i>	69
<i>NI Security Forces</i>	16
<i>Maritime</i>	4
<i>Other¹</i>	51
Employer's Liability	2 234
Service	1 898
<i>Noise-induced hearing loss</i>	1 652
<i>Non-freezing cold injury</i>	50
<i>Other</i>	196
Civilian²	336
<i>Noise-induced hearing loss</i>	85
<i>Inhalation or Ingestion of Asbestos</i>	124
<i>Other</i>	127
Clinical negligence	21
Other	681
Area Claims Offices (ACOs)	665
Defence Infrastructure Organisation (DIO)	16

Source: Directorate of Judicial Engagement Policy Common Law Claims & Policy team

1. This category includes, for example, property damage claims which usually come from personnel working and living in service accommodation who have had their belonging damaged by poor maintenance of their accommodation or infrastructure

2. All MOD civilian employees including members of the Ministry of Defence Guard Service (MGS) and Ministry of Defence Police (MDP)

Section 3 Cost of compensation claims notified

This table includes damages and other costs, such as claimants' legal costs and medical fees. It does not include MOD legal costs. Expenditure may include interim payments for active claims as well as final payments for settled claims.

Table 3 In-year expenditure on claims, by category (1 Apr 2014 – 31 Mar 2015)

	£/million
Total in-year expenditure	85.130
In-year expenditure by MOD Claims Unit and claims contractors	83.714
Public Liability¹	7.982
Employer's Liability	67.055
Service	51.861
Civilian	15.195
Clinical negligence	5.816
In-year structured settlement or periodic payments	2.862
In-year expenditure by Delegated Authorities	1.416
Area Claims Offices (ACOs)	1.371
ACO Afghanistan	0.023
ACO North West Europe	0.857
ACO Cyprus	0.489
ACO South Atlantic Islands	0.002
Defence Infrastructure Organisation (DIO)	0.045

Source: Directorate of Judicial Engagement Policy Common Law Claims & Policy team

1. Public liability claims include motor third party claims in the UK at a cost of £4.5M

Further Information

Revisions

There are no regular planned revisions of this Bulletin. Any substantial changes which are discovered to be necessary will be made to the on-line version of the Bulletin.

Corrections to the published statistics will be made if errors are found, or if figures change as a result of improvements to methodology or changes to definitions. When making corrections, we will follow the Ministry of Defence Statistics Revisions and Corrections Policy:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/284849/defence-statistics-revisions-and-corrections-policy-v1.pdf.

All corrected figures will be identified by the symbol “r”, and an explanation will be given of the reason for and size of the revision. Corrections which would have a significant impact on the utility of the statistics will be corrected as soon as possible, by reissuing the publication. Minor errors will also be corrected, but for convenience these corrections may be timed to coincide with the next annual release of the publication.

Symbols

p Provisional figure

Contact Us

If you have any questions about the statistics contained in this publication you can contact us as follows:

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If you require information which is not available within this or other available publications, you may wish to submit a Request for Information under the Freedom of Information Act 2000 to the Ministry of Defence. For more information, see:

<https://www.gov.uk/make-a-freedom-of-information-request/the-freedom-of-information-act>

For general MOD enquiries, please call: 020 7218 9000