



UK Armed Forces Compensation Scheme Annual Statistics 6 April 2005 to 31 March 2018

Published: 28 June 2018

This publication provides summary statistics on claims and awards made under the Armed Forces and Reserve Forces Compensation Scheme (AFCS), paying compensation for Service-attributable injury/illness and death. This publication presents AFCS claim outcomes based on the latest outcome of each claim, thus accurately representing the awards received by AFCS claimants as at 31 March 2018.

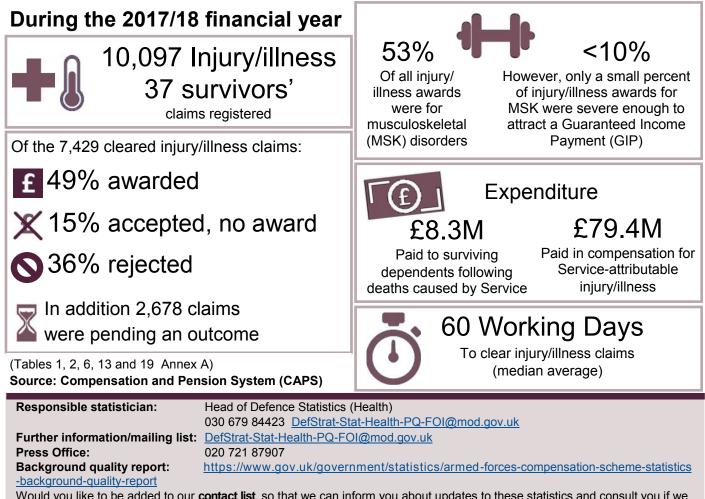
Defence Statistics and DBS Veterans UK are currently investigating potential quality issues with the underlying data used to compile the outcomes of reconsiderations, appeals and reviews. Therefore Tables 3 to 5 in the accompanying Annex A have not been updated since the previous release (as at 31 March 2017) and will not be updated until these issues have been determined and resolved. Table 10 has also not been updated. Due to the methodology change for compiling clearance times for claims cleared in 2017/18, there are insufficient historic data to conduct survival analysis. Table 10 will be updated once more historic data has been compiled.

Key Points

The AFCS compensates for two types of Service-attributable harm:

<u>Injury/illness claims</u> are made by UK Armed Forces personnel and veterans when an injury or illness has been caused or made worse by Service on or after 6 April 2005.

<u>Survivors' claims</u> are made by surviving dependents when the death of UK Armed Forces personnel has been caused by, or substantially hastened by Service on or after the 6 April 2005. The MOD automatically considers whether all in-Service deaths were due to Service.



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 <u>DefStrat-Stat-WDS-Pubs@mod.gov.uk</u>

Contents

Introduction

This Statistical Bulletin presents summary information on the UK Armed Forces and Reserve Forces Compensation Scheme (AFCS) as at 31 March 2018. The AFCS came into force on 6 April 2005 and is managed by the Ministry of Defence (MOD) with all compensation claims administered by Defence Business Services (DBS) Veterans UK. It replaced the previous compensation arrangements provided by the War Pension Scheme (WPS) and the attributable elements of the Armed Forces Pensions Scheme.

The AFCS compensates for two types of Service-attributable harm:

- Claims made by serving or former serving members of the UK Armed Forces for injury or illness caused, or worsened, by Service on or after 6 April 2005;
- Survivors' claims made by surviving dependents following the death of UK Armed Forces personnel and veterans where death was caused by Service on or after 6 April 2005. The MOD automatically considers whether all in-Service deaths were due to Service.

These statistics have been provided in response to requests for information about claims and awards under the scheme, and are used by the MOD to support work planning and policy development, and external organisations such as NHS trusts, local Government and Armed Forces charities.

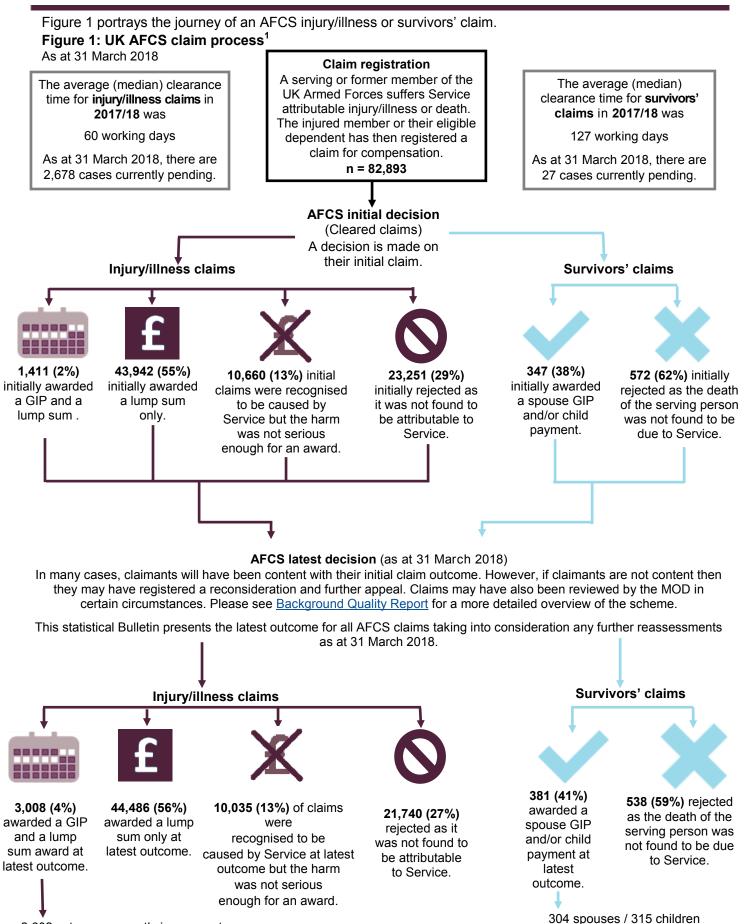
In 2010, a review of the AFCS was conducted under the independent chairmanship of former Chief of Defence Staff, Admiral the Lord Boyce. The Lord Boyce Review found the Scheme was fundamentally sound but required adjustment in some areas¹.

In 2016 a Quinquennial Review (QQR) was conducted to make sure that the scheme still remained fit for purpose and displayed the flexibility to adapt to changing conditions and environments². Overall, the QQR concluded that the AFCS remained on track and fit for purpose, with some areas needing improvement. In April 2018, the MOD published a 'One Year On' Report³ to discuss the response to the QQR recommendations. Some recommendations will be implemented from 9 April 2018. These changes will not affect the statistics in this report, but may affect later Statistical Bulletins. Further details on these Reviews can be found in the Background Quality Report.

Tables 3 to 5 in the accompanying Excel file Annex A⁴ have not been updated since the previous release (as at 31 March 2017) as Defence Statistics and DBS Veterans UK are currently investigating potential quality issues with the underlying data used to compile the outcomes of reconsiderations, appeals and reviews. Tables 3 to 5 will not be updated until these issues have been determined and resolved. All other tables provided in previous releases of this report have been updated with 2017/18 data and are available in Annex A.

Table 10 in the accompanying Excel file Annex A has also not been updated since the previous release (as at 31 March 2017). Table 10 uses survival analysis to investigate further the length of time between claims being registered and cleared, taking into account pending cases as well as cleared cases. Due to the methodology change for compiling clearance times for claims cleared in 2017/18, there are insufficient historic data and therefore the use of this statistical technique is currently under review. Updated statistics will be published once more historic data has been compiled.

Flow chart of the AFCS claim process



2,602 veterans currently in payment.

1. There were 5 claims were the latest outcome was known but the initial claim outcome was unknown.

(Tables 1, 2, 6, 7, 15 and 20, Annex A)

Source: Compensation and Pension System (CAPS)

currently in payment.

Registered claims

This section provides the overall numbers of injury/illness claims, survivors' claims, reconsiderations, appeals and reviews registered under the AFCS scheme as at 31 March 2018. Service personnel and veterans can register a compensation claim under the AFCS if they believe they are suffering from injury or illness as a result of Service. The MOD will automatically consider whether in-Service deaths were due to Service. Surviving dependents can register a claim for compensation following post Service death.

Injury/illness claims: Are made by UK Armed Forces personnel and veterans when an injury or illness has been caused or made worse by Service on or after 6 April 2005.

Survivors' claims: Are made by surviving dependents when the death of UK Armed Forces personnel has been caused by, or substantially hastened by Service on or after the 6 April 2005. The MOD automatically considers whether all in-Service deaths were due to Service.

Reconsiderations: If a claimant is not satisfied with the outcome of their claim they may ask for Veterans UK to reconsider their claim.

Appeals: If a claimant is not satisfied with the outcome of their reconsideration they may lodge an appeal to an appropriate Tribunal.

Reviews: Collective title for specific re-evaluations that can be made on a claim. These include:

Interim reviews: In claims where the disorder is not in a steady state, prognosis is uncertain or treatment is ongoing or yet to begin, a temporary award may be given at the most likely tariff level. The claim will then be reviewed within 2 years.

Exceptional reviews: Where an injury or illness has unexpectedly and exceptionally worsened, or caused a further injury to develop (within 10 years of original decision).

Ignorance/mistake reviews: In the event of a mistake, either by the AFCS or the claimant, the award will be subject to change due to the amended information.

Service termination review: When a claim is awarded while the claimant is still serving but the injury/illness has become worse or caused another injury to develop, a review of the claim can be made up to a year after leaving service.

Table 1: UK AFCS injury/illness claims, survivors' claims, reconsiderations, appeals and reviews, numbers^{ρ}

6 April 2005 to 31 March 2018

	Injury/illness claims	Survivors' claims	Reconsiderations	Appeals	Reviews
Claims registered during 2017/18	10, 097	37	1,230	1,357	1,185
Claims registered during All Years	81,947	946	14,278	8,077	6,021

^{*p*} Due to pending cases, the data for the 2017/18 financial year registrations are provisional.

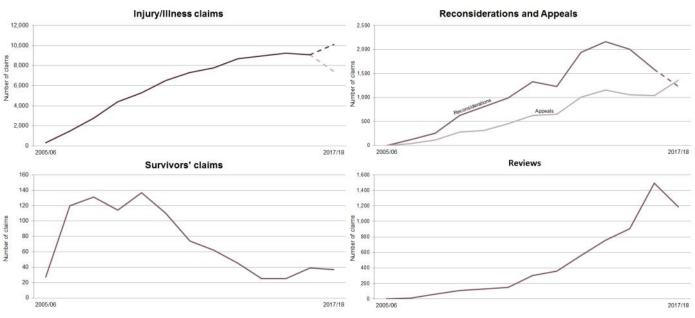
The above claim figures for the 2017/18 financial year includes cases currently pending that may later be identified as <u>'non-genuine' AFCS cases</u>. As such, these figures may reduce as the pending cases are cleared and should not be considered final.

Non-genuine AFCS cases: Cases entered onto the CAPS which are later removed from analysis. These include:

'Spanning' claims: Claims considered first for entitlement under the Armed Forces Compensation Scheme, but passed to the War Pension Scheme where the cause of injury or onset of illness occurred prior to 6 April 2005. Between 6 April 2005 and 31 March 2018 there were 12,530 spanning cases included within the AFCS claims processing workload which were not reflected within these statistics. **'Treat as never made' claims:** Claims which are entered onto CAPS but later abandoned either due

'Treat as never made' claims: Claims which are entered onto CAPS but later abandoned either due to the claim being entered in error or the claimant not proceeding with the claim.

Figure 2: UK AFCS injury/illness claims, survivors' claims, reconsiderations, appeals and reviews registered, by financial year, number of claims^p 6 April 2005¹ to 31 March 2018



1. The AFCS scheme began on the 6 April 2005.

p Due to pending cases, the data for the 2017/18 financial year registrations are provisional.

Injury/illness claims: The 2016/17 financial year was the first year since the scheme began (6 April 2005) that the number of registered injury/illness claims decreased.

As at 31 March 2018 there were 10,097 registered injury/illness claims on the Compensation and Pension System (CAPS) for the 2017/18 financial year. However, 2,668 were still pending an outcome. It is anticipated that the number of 2017/18 registered injury/illness claims will reduce in future updates of these statistics if any pending cases are considered to be 'non-genuine'. Therefore the 2017/18 trend for injury/illness claims presented in Figure 2 has been presented as provisional and marked as '- - '. A second provisional line (marked in lighter font) has also been presented to show the potential trend for 2017/18 if all pending cases are later identified as 'non-genuine'. It is currently unknown where in this range the numbers of registered 2017/18 injury/illness claims will fall following any removal of 'non-genuine' cases.

Survivors' claims: The number of survivors' claims peaked in 2009/10, a time when there was a high volume of military deaths due to operations in Iraq (which ended on 22 May 2011) and Afghanistan (which ended on 12 December 2014). The number of survivors' claims have decreased over the last eight years. However, there was an increase in the number of survivors' claims from 25 in 2014/15 and 2015/16 to 39 in 2016/17. This was driven by an increase in the number of in-Service deaths in 2016⁵.

Reconsiderations: Previously, there has been a delay in the registering of reconsideration on the CAPS (see <u>Background Quality Report</u> for further information). Therefore, it is expected that the numbers of reconsiderations registered in this year will increase in future updates of these statistics. As such, the 2017/18 trend for reconsiderations presented in Table 2 has been presented provisional and marked as '--'.

Appeals: Annual number of registered appeals have increased since the AFCS began on 6 April 2005.

Reviews: The number of reviews have increased every year since the AFCS scheme began on 6 April 2005, but decreased between 2016/17 and 2017/18 (from 1,494 to 1,185 reviews). This decrease was driven by a decrease in the number of claims given an interim review, which fell from 865 to 605 during the same period. Please note, figures on interim awards can be found in Table 22 in the accompanying Annex A. Figures in Table 22 have been rounded to the nearest 5. This has been done to safeguard the confidentiality of AFCS claimants. More information can be found in the <u>Disclosure Control</u> section of this Statistical Bulletin and in the <u>Background Quality Report</u>.

Claim clearance times

This section presents information on the average (median) number of working days it took to clear injury/illness claims, survivors' claims, reconsiderations and appeals. A claim is cleared once a decision has been made on the claim. Clearance times for <u>reviews</u> have not been calculated as they included a range of different assessments and clearance times vary for each type of review.

Clearance times for claims cleared in 2017/18 have been calculated from the date the MOD received the claim, to the date the claim was cleared. In previous publications clearance times were calculated as the number of working days between the date the claim was registered on the CAPS and the date the claim was cleared. However, these clearance times did not include any time lag between the claim being received by the MOD and the details being entered onto the CAPS. This time lag could be considerable in complex cases where detailed assessments had to be conducted initially to determine whether the claim should be formally assessed under the AFCS or the WPS. Full details of the methodology change can be found in the accompanying Background Quality Report.

It was not possible to revise the historic time series for clearance times as the date of claim receipt has not been entered retrospectively on the CAPS. Therefore, Tables 6-9 in Annex A present a break in the time series from 2017/18 to reflect the change in methodology. Table 2 and Figure 3 below present only 2017/18 data to prevent comparison with previous years.

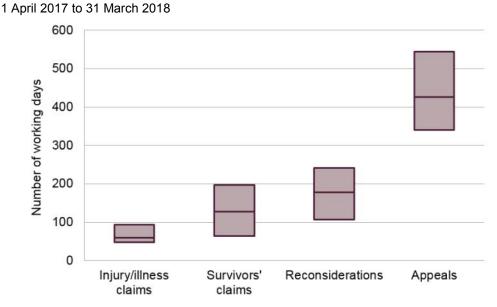
It is important to note that any increase in clearance times for 2017/18 does not mean that claimants have had to wait longer for their claim to be cleared; 2017/18 figures are a more accurate reflection of the full end-to-end claim clearance process.

Table 2: UK AFCS clearance times, by claim type, median average, working days

1 April 2017 to 31 March 2018

	Injury/illness claims	Survivors' claims	Reconsideration	Appeals
Average (median) clearance times	60	127	178	426

Figure 3: UK AFCS clearance times, by claim type, median average, working days, upper and lower quartiles



Appeals cleared in 2017/18 took on average 18 months (85 weeks) to clear and had a wider range of clearance times than other claim types. This is due to the complexity of the process. AFCS appeals are heard at an independent <u>Pension Appeal Tribunal (PAT)</u> and the MOD has no control over the length of time it takes for evidence to be gathered or a decision to be made. For further information on the Pension Appeal Tribunal process, please see the <u>Background Quality Report</u>.

The range of clearance times for survivors' claims was wider than for injury/illness claims, due to the processes involved, e.g. there were often delays in processing claims while evidence of financial dependency was gathered and relationship statuses were checked.

(Tables 6, 7, 8 and 9, Annex A)

Source: Compensation and Pension System (CAPS)

Latest injury/illness claim outcomes

This section provides a summary of the latest outcome of all injury/illness claims registered under the AFCS as at 31 March 2018.

The latest outcome for injury/illness claims refers to the latest tariff level recorded against each awarded condition within each claim recorded on the CAPS as at 31 March 2018, taking into account any later changes in claim outcomes following any subsequent reconsiderations, appeals or reviews.

Further details can be found in the <u>Methodology</u> section of this Statistical Bulletin and the accompanying <u>Background Quality Report</u>. Further details on the decision-making process and payment of lump sum awards can be found on the gov.uk website⁶.

Injury/illness claim outcomes:

Awarded Lump Sum only: When a claimant is awarded compensation for a less severe injury/illness (tariff level between 12 and 15), then they will receive a one-off lump sum payment which is payable as soon as the claim is cleared.

Awarded Lump Sum plus GIP: When a claimant is awarded compensation for a more severe injury/ illness (tariff level between 1 and 11), they will receive a one-off lump sum payment plus a Guaranteed Income Payment (GIP) which is payable for life, recognising that the Service attributable injury/illness will cause a loss of earning capacity. Claimants begin receiving a GIP upon leaving Service (where a claim is made whilst still in service) or from the date of the claim (where a post-Service claim has been registered). Therefore, all GIP recipients are veterans.

Accepted - No Award: When a claim is submitted for a Service attributable injury/illness that isn't severe enough to be awarded a tariff level between 1 and 15, then the claimant won't receive a lump sum payment however they will receive recognition that the injury/illness was a result of their Service.

Rejected: When a claimant submits a claim for an injury/illness that was found not to be attributable to Service then their claim will be rejected.

Claimants' injuries/illnesses considered to be Service-attributable are awarded under the AFCS in line with one of nine tariff of injury tables : Table 1 - Burns	Within each of the nine tariff of injury tables, there are 15 tariff levels for awarded injury/illness claims, each with a corresponding level of lump sum payment. The more severe the injury/illness, the lower the tariff level and the higher the lump sum award:
Table 1 - Burns Table 2 - Injury, Wounds and Scarring Table 3 - Mental Disorders	1-4: Individuals are so seriously injured they will be unable to work again.
Table 4 - Physical Disorders Table 5 - Amputations	5-6: Individuals will be able to work but at a significantly reduced earnings capacity.
Table 6 - Neurological Disorders Table 7 - Senses	7-8: Individuals will be able to work but their earning capacity will be reduced by around half.
Table 8 - Fractures and Dislocations Table 9 - Musculoskeletal Disorders.	9-11: Individuals will be able to work but will experience a lower level of earnings due to their injury.
The full list of tariff of injury tables can be found online: <u>http://www.infolaw.co.uk/</u> mod/docs/AFCS-2016-05-31.pdf	12-15: Individuals' future civilian earning capacity will be unaffected by their injury as it does not have any significant permanent effects.

Compensation claims can be made by serving or former serving members of the UK Armed Forces when they believe an injury or illness has been caused, or made worse by, Service on or after 6 April 2005.

In 2017/18, there were 10,097 registered injury/illness claims, of which 7,429 (74%) were cleared, and 2,668 (26%) were pending a decision as at 31 March 2018.

Table 3: AFCS registered injury/illness claims, by outcome, numbers and percentages $^{\rho}$ 6 April 2005 to 31 March 2018

	Total	Awarded ¹		Ассер	Accepted ²		Rejected	
	Ν	Ν		Ν		Ν		Ν
In 2017/18	10,097	3,618	(49%)	1,122	(15%)	2,689	(36%)	2,668
All years	81,947	47,494	(60%)	10,035	(13%)	21,740	(27%)	2,678

p Due to pending cases, the data for the 2017/18 financial year registrations are provisional.

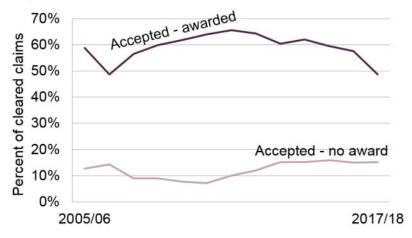
1. Awarded includes injury/illness claims awarded a lump sum only and injury/illness claims awarded a lump sum plus a GIP.

2. The injury/illness is attributable to Service, but is not severe enough to be awarded a tariff level between 1 and 15 and therefore, did not receive a lump sum award or GIP.

The proportion of claims registered in 2017/18 that were awarded as at 31 March 2018 (49%) was lower than the proportion of claims awarded since the scheme began on 6 April 2005 (60%). However, it is important to note that the proportion of awarded, accepted and rejected claims registered in 2017/18 may change as the pending claims reach a decision.

Figure 4: Accepted injury/illness AFCS claims by outcome, percentages^p

6 April 2005 to 31 March 2018



p Due to pending cases, the data for the 2017/18 financial year registrations are provisional.

Figure 4 shows that the proportion of cleared and accepted injury/illness claims awarded compensation have fallen over the past six years, whilst the proportion accepted but not awarded claims have remained broadly similar over the last five years (around 15%). Please note that the percentages for the 2017/18 financial year may change as the pending claims are cleared.

Demographics of awarded injury/illness claimants

This section presents a demographic breakdown of awarded injury/illness claimants.

During 2017/18, 10,097 injury/illness claims were registered, of which 3,618 were awarded a lump sum or a lump sum plus a GIP. At the time of initial claim registration:



During 2017/18, four out of every five successful claims resulted in lump sum awards being paid to claimants whilst in Service. Therefore, it may be expected that the demographic profile of those awarded compensation was similar to that of the UK Regular Armed Forces. The proportion of awarded AFCS claimants who were male (89%) was in line with the gender profile of the UK Regular Armed Forces, 90% of which were male as at 1 April 2018⁷.

However, the proportion of awarded AFCS claimants based in the South East or the South West of England (40%) was lower than the 50% of UK Regular Armed Forces personnel based in the South East and South West of England, as at 1 October 2017⁸. The percentages of awarded claimants who were in the Army (73%) or aged between 20 and 39 years of age (86%) were higher than the percentage of Army personnel and personnel aged between 20 and 39 years of age in the UK Regular Armed Forces as at 1 April 2018 (55%⁹ and 76%⁷ respectively).

These findings replicate recent MOD Health and Safety Statistics¹⁰ which showed that Army personnel were at significantly higher risk of reporting injury and ill health incidents than personnel in the Naval Service and RAF.

Injury/illness awarded conditions

This section presents a summary of all injuries/illnesses awarded under the AFCS. Note that the underlying data in this section have been rounded to the nearest five in Annex A to safeguard the confidentiality of individuals. Please see the methodology section and the Background Quality Report for further detail.

Between 6 April 2005 and 31 March 2018, there were 66,955 injuries/illnesses awarded compensation following 47,494 successful claims since individuals can be awarded for more than one condition following a claim. Of these, 4,215 injuries/illnesses awarded compensation was severe enough to receive a lump sum plus a GIP. Awarded conditions are grouped under one of nine tariff of injury tables¹¹, as detailed on page 7. Figure 5 presents the most common tariff of injuries awarded since the scheme began (6 April 2005) for all conditions and, separately, the subset of more serious conditions which also attracted a GIP.

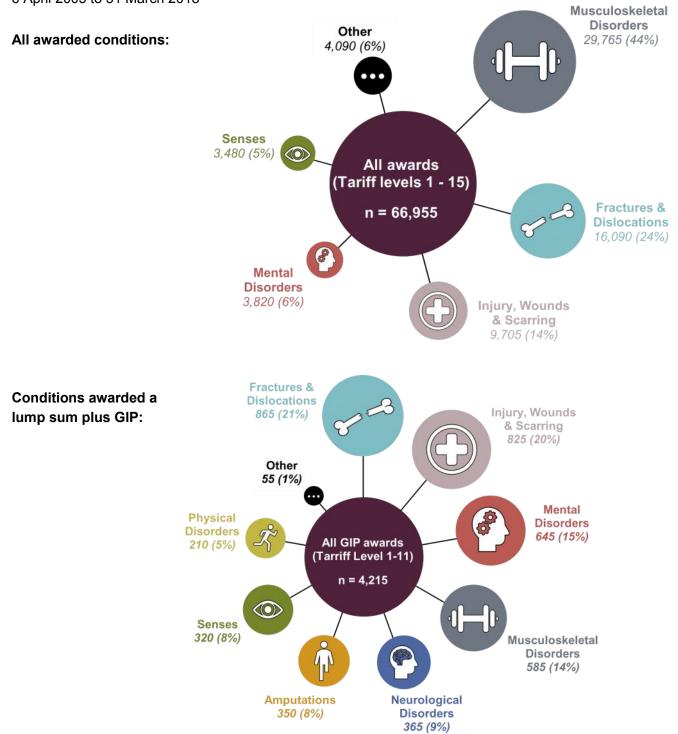


Figure 5: Most common tariff of injuries awarded under the UK AFCS, numbers and percentages 6 April 2005 to 31 March 2018

(Table 13, Annex A)

Source: Compensation and Pension System (CAPS)

Since the start of the scheme, there were 66,955 awarded conditions following 47,494 successful claims.



Disorders (MSK)

Of all conditions awarded:



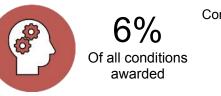
Z4 % Fractures & Dislocations

These findings were expected since MSK disorders and injuries are the most common causes of medical discharge from the UK Regular Armed Forces¹².

However, MSK disorders were not the most common tariff of injury awarded when considering the more serious injuries that attracted a GIP. Figure 5 shows that, since the start of the scheme, 44% of all conditions awarded were for MSK, compared with only 14% of conditions awarded a GIP. This suggests that whilst MSK disorders are the most prevalent Service-attributable condition, the majority of recipients are often not expected to experience a significant loss of earning capacity.

The proportion of awarded claims for MSK have increased year-on-year since the scheme began, from 31% in 2006/07 to 53% in 2017/18.

Mental disorders made up only a small percentage of all awards, but were much more prevalent for more serious conditions which attracted a GIP. This reflects the long term, complex nature of mental disorders, and their impact on claimants' earning capacity in the future.



Compared with

15% Of all GIP awards

The proportion of awarded claims for mental disorders have increased year-on-year since the scheme began, from 4% in 2006/07 to 8% in 2017/18.

Additionally, there is currently public interest in compensation awards for the following specific conditions:



Non-Freezing Cold Injury (NFCI):

2,080 Total awards (35 GIPS)



Noise-Induced Hearing Loss (NIHL):

2,570

Total awards (190 GIPS)

It was not possible to accurately determine the numbers of claims awarded under the AFCS for PTSD. Claimants awarded under the Mental Disorders tariff of injury who claimed for PTSD have been identified, though successful claimants may have been awarded for a different mental disorder.



Post-Traumatic Stress Disorder (PTSD):

2,965

Total awards (530 GIPS)

(Tables 2, 12, 13 and 22, Annex A)

Source: Compensation and Pension System (CAPS)

Recipients of Guaranteed Income Payments (GIPs)

This section presents further detail on veterans in receipt of a Guaranteed Income Payment (GIP) for more severe injury or illnesses, and those in receipt of the Armed Forces Independence Payment (AFIP), as at 31 March 2018. For more information on GIPs and the AFIP please see accompanying <u>Background Quality</u> <u>Report</u>.

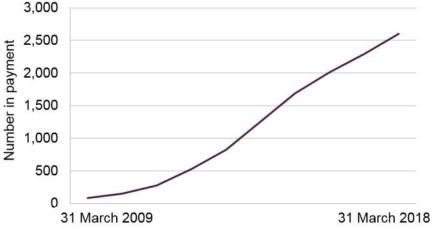
As at 31 March 2018 there were 2,602 veterans in receipt of a GIP following an injury/illness claim. This is lower than the number of GIP awards made since the start of the scheme (3,008).There are many reasons for this:

- A veteran may be in receipt of a GIP following multiple successful claims under the AFCS (the amount received will account for the multiple awards but they will still only be counted once).
- In-Service claimants awarded a GIP will not begin receiving it until they have left Service.
- A previous GIP recipient has ceased to receive payment, e.g. due to death or legal reasons.

A graduated Guaranteed Income Payment (GIP), payable for life, is paid to those awarded under the AFCS at tariff levels 1-11, recognising that the Service attributable injury/ illness will cause a significant loss of earning capacity. This is paid from the day after Service ends (where a claim is made whilst still in service) or from the date of the claim (where a post-Service claim has been registered). Therefore, all GIP recipients are veterans.

Figure 6: UK Armed Forces Veterans in receipt of a Guaranteed Income Payment, by financial year, numbers¹

As at 31 March 2009 to as at 31 March 2018²



1. This figure does not include deferred GIPs.

2. From January 2009 there was a change in the source of data regarding GIPs. Data prior to this date was sourced from a contractor (Paymaster) and do not include GIP awards captured on the interim system, covering the period 6 April 2005 to 31 October 2005. Data from 1 January 2009 is sourced from Veterans UK and includes all earlier GIP awards.

Since 31 March 2009, the number of ex-Service personnel in receipt of a GIP has increased year on year. This is due to the cumulative effect of new veterans starting to receive their GIP each year and those awarded in previous years continuing to receive it.

Armed Forces Independence Payment (AFIP)

As at 31 March 2018, there were 2,602 veterans in receipt of a GIP, of which 954 were also identified as being in receipt of the AFIP. There are a number of reasons why personnel may not be receiving the AFIP:

- A claimants GIP award was not eligible to receive an AFIP.
- An AFIP eligible claimant may have opted to continue to receive the Personal Independence Payment (PIP).
- The GIP award was made recently and therefore the eligible claimant's AFIP payment was still being processed.
- The MOD has had a non-response from the eligible claimant to determine whether they wish to receive the AFIP.

Service personnel awarded a GIP at 50% or above (Tariff Bands A-C) are eligible to apply for additional financial support via the Armed Forces Independence Payment (AFIP). The AFIP is a benefit to help with the extra costs of long-term health conditions or disability. More information about AFIPs can be found at:

https://www.gov.uk/government/ publications/faq-on-the-armed-forces -independance-payment

AFCS awards to those deployed to Iraq and/or Afghanistan

This section presents a summary of all awarded AFCS claimants who have previously deployed to Iraq and/or Afghanistan, since the MOD is frequently asked to provide this information.

Of the 39,441 people awarded compensation for an injury/illness caused by Service as at 31 March 2018, a total of 24,937 had deployed to Iraq and/or Afghanistan prior to their claim. Of these:

- 5,737 individuals had deployed on Operations in Iraq only prior to the registered date of their claim.
- 11,313 individuals had deployed on Operations in Afghanistan only prior to the registered date of their claim.
- 7,887 individuals had deployed on Operations in both Iraq <u>and</u> Afghanistan prior to the registered date of their claim.

For more information on those deployed to Iraq/Afghanistan please see accompanying <u>Background Quality Report</u>.

It is important to note that the AFCS attributes injury/illness to Service and not a particular event during a Service person's career. Therefore it is not possible to attribute AFCS claims/awards to a specific deployment and **these figures are likely to include individuals awarded compensation for an injury/ illness that did not occur as a result of their deployment**, even though they had deployed at some previous point in time prior to registering their claim. This section provides a summary of outcomes for survivors' claims registered under the AFCS as at 31 March 2018.

Where the death of an individual is caused by, or substantially hastened by, Service in the UK Armed Forces, the AFCS can pay compensation to the individual's dependents or survivors' (including their partner and/or children). The MOD automatically considers whether all in-Service deaths were due to Service. Surviving dependents can register a claim for compensation following post-Service death.

All initial survivors' claims were evaluated by claims assessors within the MOD who made a decision, based on the information available at the time, on whether death was attributable to Service. These initial claim outcomes may later change following any subsequent reconsiderations, appeals or reviews.

This Statistical Bulletin presents the latest outcome of all registered death claims as at 31 March 2018, taking into account later changes in claim outcomes.

Further details can be found in the <u>Methodology</u> section of this Statistical Bulletin and the accompanying <u>Background Quality Report</u>. Further details on the decision-making process and payment of lump sum awards can be found on the gov.uk website⁶.

Survivors' claim outcomes:

Awarded Survivors' Guaranteed Income Payment (SGIP)– If the death of an individual was found to be attributable to Service, the eligible partner/spouse of the deceased will receive a SGIP, paid to provide financial support and to recognise the loss of the deceased partner's earnings. The amount paid is increased in line with inflation each year and is paid for life.

Awarded Child Payment (CP)– If the death of an individual was found to be attributable to Service then any eligible child(ren) of the deceased will receive a CP, paid to provide financial support following the loss of their parent, guardian or person on whom they were financially dependent. Payments stop at the point at which it would be reasonable to consider the child would cease to be financially dependent on their parents (at 18 years of age or, if in full-time education or vocational training, at 23 years of age). The age criteria do not apply if the child(ren) is/are unable to support themselves because they are suffering physical or mental disability⁶.

Rejected– If the death of an individual was found not to be attributable to Service then the claim will be rejected and the partner/spouse/child(ren) of the deceased will not receive a SGIP or CP. Claims from eligible partners (rather than spouses) may also be rejected following Service-attributable death if there was not sufficient evidence of financial dependency.

Table 4: AFCS registered survivors' claims, by outcome, numbers and percentages^{*p*}

6 April 2005 to 31 March 2018

	Total	Awa	Awarded ¹		Rejected ²	
	Ν	Ν		Ν		Ν
In 2017/18	37	~	(13%) ³	~	(88%) ³	~
All years	946	381	(41%)	538	(59%)	27

p Due to pending cases, the data for the 2017/18 financial year registrations are provisional.

1. The death was attributable to Service. The spouse/partner of the deceased was awarded an SGIP and/or the child(ren) of the decreased was awarded a CP.

2. The death was not attributable to Service or claims from eligible partners (rather than spouses) were rejected as there was insufficient evidence of financial dependency.

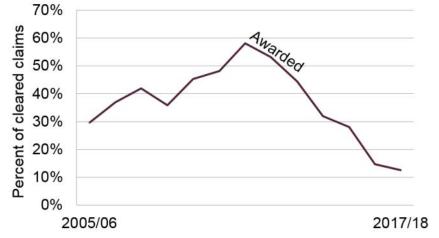
3. Percentages do not sum to 100% due to rounding.

~ In line with JSP 200 directive on statistical disclosure control, figures have been suppressed. Please see Background Quality Report for more information.

The proportion of successful survivors' claims registered in 2017/18 (13%) was lower than the proportion of claims awarded since the scheme began on 6 April 2005 (41%). The proportion of successful survivors' claims registered in 2017/18 may change as the pending claims reach a decision. It is important to note that when an individual dies whilst in Service, an assessment for compensation will automatically be generated¹³, regardless of whether the death was caused by Service.

Figure 7: Awarded AFCS survivors' claims, percentages^p

6 April 2005 to 31 March 2018



p Due to pending cases, the data for the 2017/18 financial year registrations are provisional.

Since the start of the scheme, the proportion of awarded survivors' claims have fluctuated, reflecting the change in operational tempo over time. Figure 7 shows that the proportion of awarded survivors' claims was highest between 2009/10 and 2013/14, a time when there were a high volume of military deaths due to operations in Iraq (which ended on 22 May 2011) and Afghanistan (which ended on 12 December 2014)⁵. The proportion of awarded survivors' claims has fallen to it's lowest level in 2017/18.

Survivors' payments

This section presents further detail on spouses awarded a Guaranteed Income Payment (GIP) and child payments (CP) with summary statistics on spouse and child recipients as at 31 March 2018.

An awarded survivors' claim may result in more than one payment e.g. a spouse GIP and one or more child payments. For more information on survivors' GIPs, please see accompanying <u>Background Quality Report</u>.

As at 31 March 2018, there were:

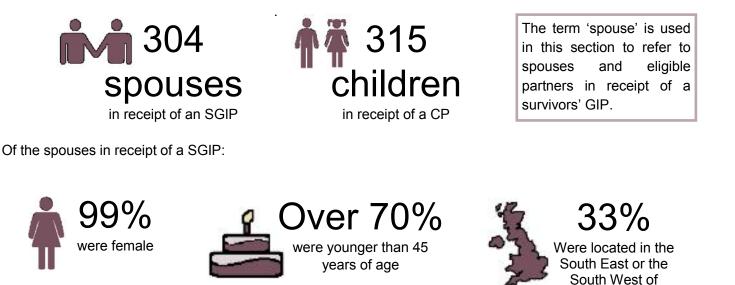
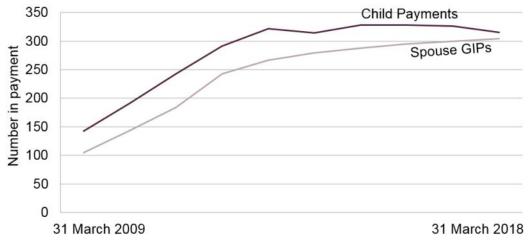


Figure 8: Eligible spouses and children in receipt of a Survivors' Guaranteed Income Payment or Child Payment, by financial year, numbers

As at 31 March 2009 to as at 31 March 2018¹



1. From January 2009 there was a change in the source of data regarding GIPs. Data prior to this date was sourced from a contractor (Paymaster) and do not include GIP awards captured on the interim system, covering the period 6 April 2005 to 31 October 2005. Data from 1 January 2009 is sourced from Veterans UK and includes all earlier GIP awards.

The number of survivors' GIPs in payment and child payments increased over time between 31 March 2009 and 31 March 2013. This was at a time when there was high operational tempo in Iraq and Afghanistan resulting in higher numbers of Service related deaths⁵. Since 31 March 2013, the number of SGIPs in payment increased at a slower rate. This reflected the reduced operational tempo leading to a reduction in the number of Service personnel who died each year, and a reduction in SGIP claims and awards.

England

Financial amounts paid out under the AFCS

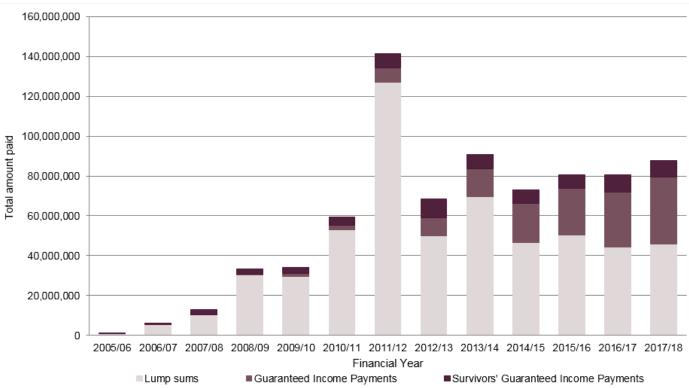
This section provides information on the financial amounts that have been paid out under the AFCS since the scheme began on 6 April 2005.



- As at 31 March 2018, over £770M has been paid out under the scheme:
- Over £563M was paid out in lump sum payments.
 - Over £138M was paid out Guaranteed Income Payments (GIPs).
 - Over £68M was paid out in Survivors' Guaranteed Income Payments (SGIPs).

Figure 9: AFCS expenditure, by type of payment and financial year, £

6 April 2005 to 31 March 2018



- The total amount paid out in lump sum payments during 2011/12 was higher than other financial years (over £126M). This was primarily due to additional payments made following the Lord Boyce Review, whereby all previous lump sum awards were uplifted and back-payments were made. Pre-and-post Lord Boyce review tariff awards can be found in the <u>Background Quality Report</u>. The smaller peak in 2013/14 was driven by an increase in the number of cleared claims (where a decision was made) due to additional resources allocated to AFCS workloads to clear a backlog of cases following the Lord Boyce Review.
- The annual amounts paid out in GIPs increased year-on-year. This was expected as the amounts paid each year represent all ongoing cumulative payments and not just those awarded in each year.

Data, definitions and methods

This section provides a brief summary of the methodology and data sources. More detailed information is available in the <u>Background Quality Report</u>.

Statistical Bulletins prior to June 2017 (presenting AFCS claim outcomes as at 31 March 2017) presented initial injury/illness and survivors' claim outcomes based on initial outcome only, which did not account for any changes in claim outcomes following reconsideration, appeal or review. For the June 2017 Statistical Bulletin, the methodology was amended to enable the latest claim outcome for all claims to be derived. This report used the same methodology as the June 2017 Statistical Bulletin. Further details on the methodology change are presented in the accompanying <u>Background Quality Report</u>.

Data Sources

Most of the information presented within this Statistical Bulletin was sourced from AFCS data held on the Compensation and Pension System (CAPS), managed by Veterans UK who are responsible for administering the scheme. Veterans UK are responsible for ensuring the quality of the data supplied to Defence Statistics.

Defence Statistics receive quarterly datasets from the Veterans UK finance team which were used to report on recipients of Guaranteed Income Payments. Information on the overall financial amounts paid out under the AFCS was also sourced from the Finance Team.

Information on those in receipt of the Armed Forces Independence Payment (AFIP) are recorded by Veterans UK in an excel spreadsheet. These data were used to provide the number of individuals in receipt of AFIP.

Deployment data were used to determine those awarded under the AFCS that have previously deployed to Iraq and/or Afghanistan. Defence Statistics maintains a database of individual deployment records from November 2001. Data prior to April 2007 was derived from the single Services Operation Location tracking (OPLOC) systems and data since April 2007 is obtained from the Joint Personnel Administration (JPA) system. The data covers deployments on Op TELIC (2003-2009) and Op VERITAS/Op HERRICK (2001-2014).

Data Coverage

The data presented include all regular and reservist personnel, veterans and dependants who have claimed for compensation under the AFCS for any injury/illness/death caused by Service on or after 6 April 2005.

Although the figures presented include all claims registered during the reported time period, the figures do not represent all individuals who have sustained a Service-related injury/illness or who have died during that time. There can be a time lag between an individual's injury/illness and the date they make a claim. Individuals have up to seven years to make an injury/illness claim from the date of their initial injury/diagnosis. There are some exceptions to this such as late-onset illnesses. Claims for a late-onset illness can be made at any time after the event to which it relates, as long as it is done so within three years of seeking medical advice. Families have up to three years to make a claim as a result of a death post-Service.

This report presents claim outcomes based on the latest information held for each claim as at 31 March 2018.

Please note that some information on the outcomes of appeals made under the AFCS is not recorded on the CAPS and was therefore not presented in this report. All registered appeals are recorded on the CAPS, however only outcomes at the first stage of the appeal process (First Tier Tribunal) are captured. Information on appeals that progress to further stages (e.g. Upper Tier Tribunal) are dealt with offline. The MOD are investigating the feasibility of including this information in future reports.

Calculation of claim clearance times

Information on AFCS claim clearance times has been presented as a median average with an inter-quartile range as these statistics were affected less by outliers than a mean average with standard deviations. An outlier is an observation within a dataset that appears to be inconsistent with the remainder of the dataset.

- The median is the value in the centre of the data set when they are arranged from smallest to largest.
- A quartile is any of three values (first/lower quartile, second quartile (median), third/upper quartile) that divides the sorted dataset (sorted from smallest to largest value) into four equal parts. The first/lower quartile (LQ) is the value that at which 25% of the values in the dataset will be below. The third/upper quartile (UQ) is the value that at which 75% of the values in the dataset will be below.
- The inter-quartile range (IQR) is the range in which the middle 50% of the data points fall (i.e. the distance between the lower and upper quartile). The longer the inter-quartile range the wider the spread of data.

In previous publications clearance times were calculated as the number of working days between the date the claim was registered on the Compensation and Pension System (CAPS) and the date the claim was cleared. However, these clearance times did not include any time lag between the claim being received by the MOD and the details being entered onto the CAPS, which could be considerable in complex cases where detailed assessments had to be conducted initially to determine whether the claim should be formally assessed under the AFCS or the WPS. Full details of the methodology change can be found in the accompanying Background Quality Report.

It was not possible to revise the historic time series for clearance times as the date of claim receipt has not been entered retrospectively on the CAPS. Therefore, Tables 6-9 in Annex A present a break in the time series from 2017/18 to reflect the change in methodology. Table 2 and Figure 3 in this bulletin present only 2017/18 data to prevent comparison with previous years.

It is important to note that any increase in clearance times for 2017/18 does not mean that claimants have not had to wait longer for their claim to be cleared; 2017/18 figures are a more accurate reflection of the full end-toend claim clearance process.

Strengths and weaknesses of the data presented in this report

This report combines data captured across a variety of MOD databases to present a single source of information on claims, awards and payments made under the AFCS. These statistics can be used by MOD to monitor trends over time.

The key strength of the Armed Forces Compensation Scheme data is the efficient methods adopted to capture AFCS data extracts. Validation checks are undertaken to ensure that the information provided in the reports is accurate.

The key weakness is that Defence Statistics have to rely on the level of detail that DBS Veterans UK manually enter for each claim. There are no other data sources that can be used to validate the information provided to Defence Statistics. Furthermore, a great deal of the information is recorded in free text fields.

More detailed information on the data, definitions and methods used to create this report can be found in the <u>Background Quality Report</u>.

Glossary

Appeal: If a claimant is not satisfied with the outcome of their claim they may lodge an appeal to an appropriate Tribunal.

Armed Forces and Reserve Forces Compensation Scheme (AFCS): Compensation scheme for all members of the regular and reserve forces. It provides compensation for all injuries, ill-health and death attributable to Service where the cause occurred on or after 6 April 2005.

Armed Forces Independence Payment (AFIP): On 8 April 2013 the MOD, in conjunction with the Department for Work and Pensions (DWP), introduced a new benefit called the <u>Armed Forces Independence</u> <u>Payment (AFIP)</u>. The AFIP is a simplification of the financial support available for members of the Armed Forces who have been seriously injured as a result of Service since 6 April 2005. The AFIP provides eligible recipients with on-going payments to help with the additional costs associated with their injuries.

Armed Forces Pension Scheme (AFPS): Pension available to members of the Regular Armed Forces who have served for a minimum of two years: AFPS 75 – Introduced in 1975 and closed to new members from 6 April 2005. Pension benefits are based on rank and time served; AFPS 05 – Introduced on 6 April 2005. Pension benefits are based on time served and final salary.

Child Payment (CP): A taxable payment designed to compensate eligible child(ren) for loss of financial support following the death of their parent, guardian or person on whom they were financially dependent as a result of Service.

Claim: The term 'claim' is used to refer to both injury/illness claims raised by a claimant as well as medical discharge and death-in-service cases which are automatically referred to Veterans UK for consideration.

Cleared claim: A claim is classed as cleared when Veterans UK issue a letter to the claimant informing them of the outcome of their claim, reconsideration, or appeal.

Compensation and Pension System (CAPS): Administrative system used to capture electronic information on the AFPS and AFCS.

Guaranteed Income Payment: A Guaranteed Income Payment (GIP) is payable when an award has been made and the injury or illness is in tariff levels 1 to 11.

Injury/illness claim: Claims made by serving or former members of the Armed Forces for an injury or illness caused by Service on or after 6 April 2005. They include in-Service claims, medical discharge claims and post-Service claims.

Inter-quartile range: The inter-quartile range is the range in which the middle 50% of the data points fall (i.e. the distance between the lower and upper quartile). The longer the inter-quartile range the wider the spread of data.

Lump Sum Award: A tax-free lump sum payment is paid to a Service or ex-Service person as compensation for pain and suffering for an injury or illness that is predominantly caused or made worse by Service.

Median average: The median of a finite list of numbers can be found by arranging all the values from lowest to highest and picking the middle value.

Medical Discharge Claim: Personnel medically discharged from Service will have a claim automatically registered under the AFCS if they meet certain criteria. Please see the Background Quality Report for more information.

Non-genuine AFCS cases: Include 'spanning' and 'treat as never made' cases. Spanning cases are claims considered first for entitlement under the AFCS, but passed to the War Pension Scheme where the cause of injury or onset of illness occurred prior to 6 April 2005. Treat as never made cases are those that have been registered under the Scheme but are later abandoned either due to the claim being entered in error or the claimant not proceeding with the claim.

Glossary (cont.)

Pensions Appeal Tribunal (PAT): The PAT hears appeals from Servicemen and Servicewomen who have disagreed with the decision made by Veterans UK on the outcome of their claim.

Reconsideration: If a claimant is not satisfied with the outcome of their claim they may ask for Veterans UK to reconsider their claim.

Registered claim: A claim is classed as registered when Veterans UK begin a workflow on the CAPS for a claim.

Reviews: Collective title for specific re-evaluations that can be made on a claim. These include:

Interim reviews: In claims where the disorder is not in a steady state, prognosis is uncertain or treatment is ongoing or yet to begin, a temporary award may be given at the most likely tariff level. The claim will then be reviewed within 2 years.

Exceptional reviews: Where an injury or illness has unexpectedly and exceptionally worsened, or caused a further injury to develop (within 10 years of original decision)

Ignorance/mistake reviews: In the event of a mistake, either by the AFCS or the claimant, the award will be subject to change due to the amended information.

Service termination review: When a claim is awarded while the claimant is still serving but the injury/illness has become worse or caused another injury to develop, a review of the claim can be made up to a year after leaving service.

Spanning cases: Spanning cases are claims considered first for entitlement under the Armed Forces Compensation Scheme, but passed to the War Pension Scheme where the cause or injury occurred prior to 6 April 2005.

Survival Analysis: Survival Analysis analyses the time duration until the event of interest occurs. In this case that is when a registered claim has been cleared.

Survivors' claim: Claims made by surviving dependents of former Armed Forces Personnel where death was caused by Service on or after 6 April 2005. They include death-in-Service claims, death-post-Service claims and additional child claims. One awarded survivors' claim may result in multiple payments (e.g. to a spouse and children).

Survivors' Guaranteed Income Payment: A Survivor's Guaranteed Income Payment (SGIP) is a taxable payment designed to compensate an individual for loss of financial support following the death of their partner/spouse/parent as a result of Service.

Tariff Levels: The AFCS Tariff has 15 levels from 1 (most severe) to 15 (least severe). Each tariff level has a corresponding level of lump sum payment.

Veterans UK: Veterans UK administer the armed forces pension schemes and compensation payments for those injured or bereaved through service.

War Pension Scheme (WPS): No fault compensation scheme for all members of the regular and reserve force. It provides compensation for all injuries, ill-health and death caused or made worse by Service from the start of WW1 in 1914 to 5 April 2005. Personnel are only eligible to claim once they have left Service.

Working days: Any day in which legal business can be conducted. In this report, working days exclude Saturdays, Sundays and public holidays.

References

- 1. A full summary of the Lord Boyce Review can be found at: <u>https://www.gov.uk/government/publications/the</u> <u>-review-of-the-armed-forces-compensation-scheme</u>
- 2. A full summary of the Quinquennial Review can be found at: <u>https://www.gov.uk/government/publications/</u> <u>the-armed-forces-compensation-scheme-quinquennial-review</u>
- 3. A full summary of the 'One Year On' report can be found at: <u>https://www.gov.uk/government/publications/</u> guinguennial-review-of-the-armed-forces-compensation-scheme-one-year-on-report
- 4. UK Armed Forces Compensation Scheme annual statistics: <u>https://www.gov.uk/government/collections/</u> <u>armed-forces-compensation-scheme-statistics-index</u>
- 5. MOD Deaths in the UK Regular Armed Forces: <u>https://www.gov.uk/government/collections/uk-armed-forces</u> <u>-deaths-in-service-statistics-index</u>
- 6. Armed Forces Compensation Scheme: what you need to know: <u>https://www.gov.uk/government/</u> <u>publications/armed-forces-compensation/armed-forces-compensation-what-you-need-to-know</u>
- UK Armed Forces biannual diversity statistics: <u>https://www.gov.uk/government/collections/uk-armed-forces-biannual-diversity-statistics-index</u>
- 8. MOD quarterly location statistics: <u>https://www.gov.uk/government/collections/location-of-all-uk-regular-service-and-civilian-personnel-quarterly-statistics-index</u>
- 9. UK Armed Forces Quarterly Service Personnel Statistics: <u>https://www.gov.uk/government/collections/</u> <u>quarterly-service-personnel-statistics-index</u>
- 10. MOD Health and Safety Statistics: <u>https://www.gov.uk/government/collections/defence-health-and-safety-statistics-index</u>
- 11. Further information on tariff of injury groupings can be found here: <u>http://www.infolaw.co.uk/mod/</u> afcsandspo.htm
- 12. MOD Annual Medical Discharges in the UK Regular Armed Forces: <u>https://www.gov.uk/government/</u> <u>statistics/uk-service-personnel-medical-discharges-financial-year-201617</u>
- 13. JSP 765 Armed Forces Compensation Scheme Statement of Policy: <u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/</u> <u>file/683176/20180215-JSP765-Official.pdf</u>

Further information

Symbols

- ~ Figure has been suppressed due to Statistical Disclosure Control
- Not calculated due to value of zero (please note this symbol was used to refer to values of zero in previous AFCS publications zero values are now shown as '0')
- p Provisional
- r Revised
- Q1 1 April to 30 June
- Q2 1 July to 30 September
- Q3 1 October to 31 December
- Q4 1 January to 31 March

Disclosure Control

In line with the directives of the JSP 200, disclosure control is conducted on all statistical information provided by the MOD to safeguard the confidentiality of individuals. Within these statistics a risk of disclosure has been considered to be high where numbers presented are fewer than three. In cases where a risk of disclosure exists, one of two appropriate disclosure control methods have been applied.

Figures have been suppressed: In most cases where there may be a risk of disclosure, numbers fewer than three have been suppressed and marked as '~'. Where there was only one cell in a row or column that was fewer than three, secondary suppression has been applied so that numbers cannot simply be derived from totals. In most cases the secondary suppression has been applied to the next smallest figures. However in Table 14 in Annex A, Northern Ireland figures were the next smallest figures after primary suppression of 'Other UK' in some financial years. Due to public interest in the location of Service personnel and veterans awarded compensation under the AFCS, the 'UK Unknown' figures instead had secondary suppression applied, since these figures were less useful to external users of these statistics.

Figures have been rounded to the nearest five: In some cases where the suppression of information would result in larger numbers being 'hidden' as a result of secondary suppression and it has not been possible to group columns and/or rows, figures have been rounded to the nearest five. This method of suppression has been applied to the following 2017/18 Tables in Annex A: 3, 4, 5, 13 and 22.

Revisions

The AFCS statistics are subject to routine revisions as the CAPS is a live data system and historic data may be amended on the CAPS between data extracts (see <u>Background Quality Report</u> for further information). Any revisions to historic data as a result of amended information on the CAPS can be identified by a revision marker ('r') and are only discussed if such revisions are considered to have impact on the findings.

Financial information for the latest year is provisional due to the accounts pending an audit and therefore may change in the future.

Other relevant publications

Defence Statistics also publishes the following statistics:

The War Pension Scheme (WPS): <u>https://www.gov.uk/government/collections/war-pension-recipients-index</u> The location of pension and compensation recipients: <u>https://www.gov.uk/government/collections/location-of-armed-forces-pension-and-compensation-recipients</u>

Annual Veteran estimates: <u>https://www.gov.uk/government/collections/annual-population-survey-uk-armed-forces-veterans-residing-in-great-britain</u>

The Directorate of Judicial Engagement Policy (DJEP) also publishes statistics on common law compensation claims against the MOD: <u>https://www.gov.uk/government/collections/mod-compensation-claims-statistics</u>

Further information (cont.)

Contact Us

Defence Statistics welcome feedback on our statistical products. If you have any comments or questions about this publication or about our statistics in general, 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

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Army Manpower	01264 886175	DefStrat-Stat-Army-Enquiries@mod.gov.uk
RAF Manpower	01494 496822	DefStrat-Stat-Air@mod.gov.uk
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