



UK Armed Forces Compensation Scheme Biannual Statistics 6 April 2005 to 31 March 2017

Published 22 June 2017

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.

Previous publications presented AFCS claim outcomes based on the outcome of the initial claim only and did not account for later changes in claim outcome. For the first time these statistics present claim outcomes based on the latest outcome of each claim, thus more accurately representing the awards received by AFCS claimants as at 31 March 2017.

At the date of publication there is a consultation being run proposing to reduce the frequency of this National Statistic from bi-annual to annual and remove all tables referring to quarterly information. For more information see: <https://www.gov.uk/government/consultations/proposed-reduction-in-frequency-of-the-armed-forces-compensation-scheme-national-statistics-publication>

Key Points

Injury/Illness claims

Survivors' claims

9,700 ▲ 4%	Number of claims registered under the AFCS Financial year 2016/17 <i>% change from financial year 2015/16.</i>	35 40% ▲
3,829 (56%)	Number and percentage of claims awarded under the AFCS where a decision has been made Financial year 2016/17 Survivors' claims awarded are lower due to 34% (n=12) of claims registered in 2016/17 that are awaiting a decision (pending).	4 (17%)
50 days ◀▶ 0%	Average time taken in working days for claims to be awarded under the AFCS Financial year 2016/17 <i>% change from financial year 2015/16.</i> Injury illness claims clearance times are consistent with the previous year; however, survivors claims have decreased compared with 2015/16.	59 days 52% ▼
2,289	Recipients of Guaranteed Income Payments (GIP) and Survivors' GIP As at 31 March 2017	626
£72,1M ▲ 4%	Amount paid out under the AFCS for lump sums and GIPs (injury/illness) and Survivors' GIPs As at 31 March 2017 <i>% change from financial year 2015/16</i>	£8M 21% ▲
2,322 (50%)	Number and percentage of all injury/illness conditions awarded under the AFCS for musculoskeletal (MSK) disorders Financial year 2016/17 Half of all conditions awarded were for MSK disorders; However MSK disorders made up only 14% of GIP awards.	

Responsible statistician: Head of Defence Statistics (Health) 030 67984423 DefStrat-Stat-Health-PQ-FOI@mod.uk
Further information/mailling list: DefStrat-Stat-Health-PQ-FOI@mod.uk
Enquiries: Press Office: 020 721 83253
Background Quality Report: <https://www.gov.uk/government/collections/armed-forces-compensation-scheme-statistics-index>

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 DefStrat-Stat-WDS-Pubs@mod.uk

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Other bulletins in this series can be found at:

<https://www.gov.uk/government/collections/armed-forces-compensation-scheme-statistics-index>

Supplementary tables (Annex A) containing all data presented in this publication can be found at:

<https://www.gov.uk/government/collections/armed-forces-compensation-scheme-statistics-index>

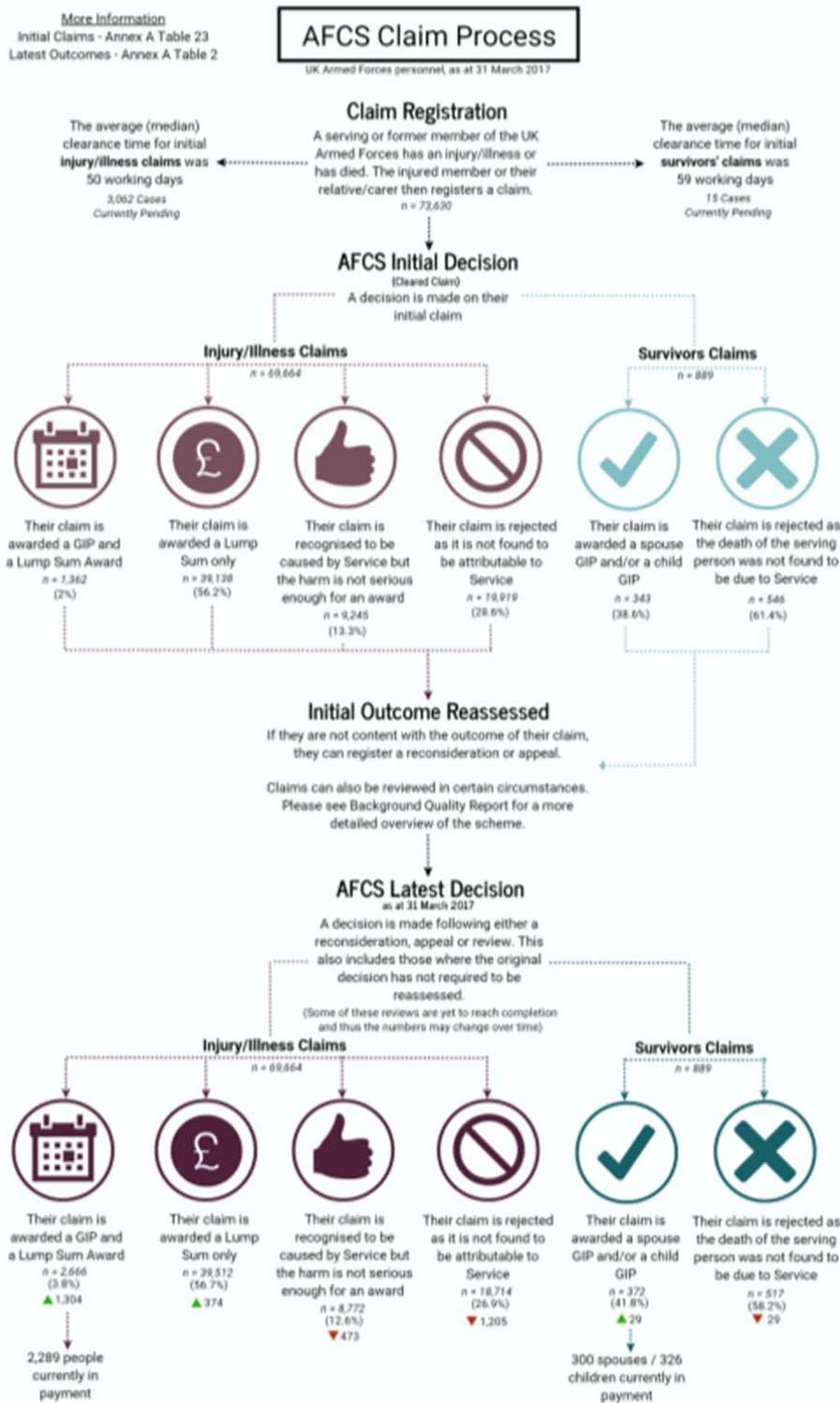
Introduction

1. This Statistical Bulletin presents summary information on the UK Armed Forces and Reserve Forces Compensation Scheme (AFCS) as at 31 March 2017.
2. The AFCS is managed by the Ministry of Defence (MOD) with all compensation claims administered by Defence Business Services (DBS) Veterans UK and came into force on 6 April 2005. It replaced the previous compensation arrangements provided by the War Pension Scheme (WPS) and the attributable elements of the Armed Forces Pensions Scheme.
3. The AFCS compensates for two types of service-attributable harm:
 - Claims are made by serving or former serving members of the UK Armed Forces when they believe an injury or illness has been caused by Service on or after 6 April 2005;
 - Survivors' claims are made by surviving dependents following the death of former UK Armed Forces personnel where death was caused by Service on or after 6 April 2005.
4. These statistics have been provided in response to requests for information about claims and awards under the scheme, and the number of individuals currently in receipt of ongoing compensation. These statistics are used by external organisations such as NHS trusts, local Government and Armed Forces charities. This report is also used to support other MOD departments in work planning and policy development.
5. All tables provided in previous releases of this report have been updated with 2016/17 data and are available in the separate Excel file at: <https://www.gov.uk/government/collections/armed-forces-compensation-scheme-statistics-index>.
6. The MOD also produces an annual National Statistic on the War Pension Scheme (WPS), an annual Official Statistic on the location of pension and compensation recipients and an annual report on the Annual Population Survey (APS). These publications can be found at the following links:
 - WPS: <https://www.gov.uk/government/collections/war-pension-recipients-index>
 - Location Statistics: <https://www.gov.uk/government/statistics/location-of-armed-forces-pension-and-compensation-recipients>
 - APS: <https://www.gov.uk/government/collections/annual-population-survey-uk-armed-forces-veterans-residing-in-great-britain>
7. 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 areas. Further details of the Review can be found in the Background Quality Report, and a full summary of the Review can be found at: <https://www.gov.uk/pensions-and-compensation-for-veterans#review-of-the-armed-forces-compensation-scheme>.
8. In early 2016 a further independent review, the Quinquennial Review, or QQR, was conducted to make sure that the scheme still remained fit for purpose and displayed the flexibility to adapt to changing conditions and environments. The full Review findings can be found on the Gov.UK website: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/594470/AFCS_QQ_R_Web_Version-20170223.pdf.

Results: Flow Chart of AFCS Claim Process

Figure 1 portrays the journey of an AFCS injury/illness or survivors' claim.

Figure 1: UK AFCS claim process
As at 31 March 2017



Source: Compensation and Pension System
Definitions can be found in the glossary

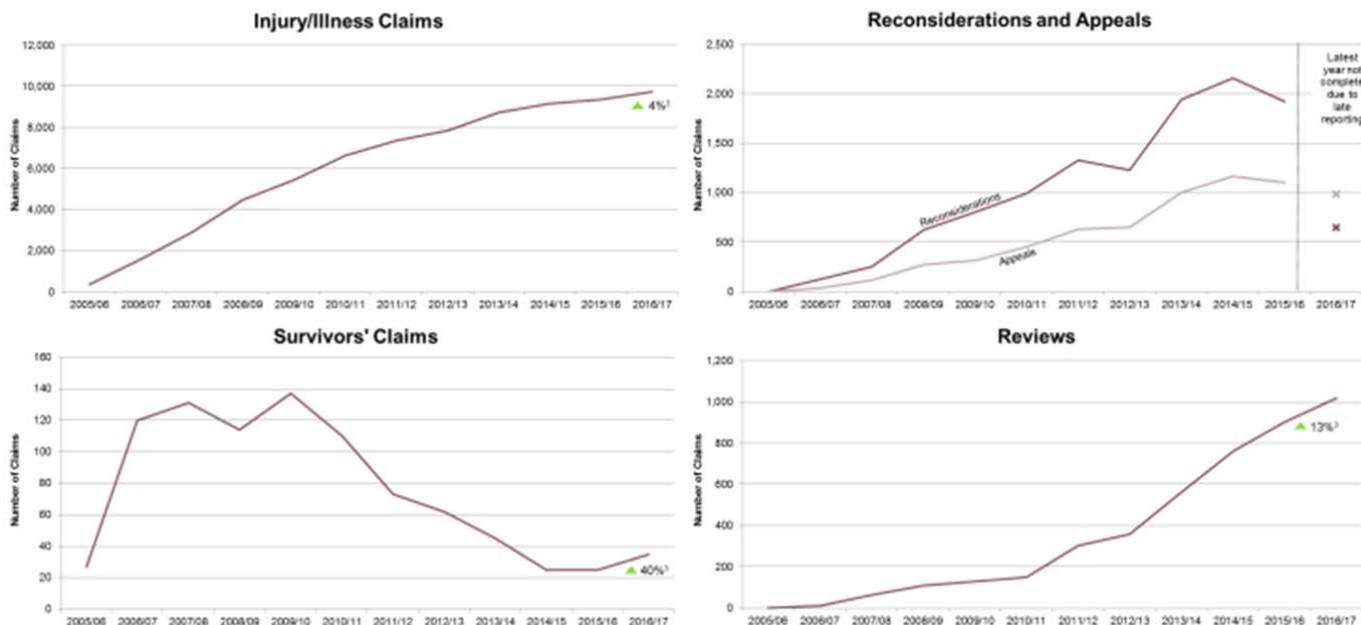
Results: Registered Claims

9. This section provides the overall numbers of initial injury/illness claims, initial survivors' claims, reconsiderations and appeals registered under the scheme each financial year. For the first time this section also provides a summary of reviews that have been registered under the AFCS.
10. 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. Surviving dependents may submit a survivors' claim if they believe their spouse has died due to an injury/illness caused by Service.

Key Points:

- During 2016/17 there were 9,700 initial injury/illness claims and 35 initial survivors' claims registered under the AFCS.
- Annual numbers of registered initial injury/illness claims, and consequent reconsiderations, appeals and reviews have increased since the start of the scheme (Figure 2), as more claimants became eligible to claim for compensation under the AFCS, offsetting claims under the War Pension Scheme.
- Annual numbers of survivors' claims have decreased since 2009/10, largely a result of the reduction of deaths as a result of military operations. There was an increase in claims in 2016/17 when compared to 2014/15 and 15/16 and this was driven by an increase in the number of in-Service deaths during this time. (<https://www.gov.uk/government/statistics/uk-armed-forces-deaths-in-service-2016>).

Figure 2: UK AFCS injury/illness claims, survivors' claims, reconsiderations, appeals and reviews registered, by financial year, number of claims¹
6 April 2005² to 31 March 2017



Source: Compensation and Pension System

1. The 2016/17 data points for reconsiderations and appeals have been included without the trend line. These points need to be interpreted as the minimum, see paragraph 13 and the Background Quality Report for more information.
2. The AFCS scheme began on 6 April 2005.
3. Percentage increase between 2015/16 and 2016/17.

Results: Registered Claims (Cont.)

11. As at 31 March 2017, there were 72,726 registered **initial injury/illness claims** under the AFCS, with 9,700 registered in the latest financial year, 2016/17 (Annex A, Table 1). Annual numbers of registered injury/illness claims increased each financial year since the start of the scheme (Figure 2). This was primarily due to increasing numbers of serving personnel and veterans being eligible to claim under the AFCS for injury/illness since 6 April 2005. Conversely the numbers of registered claims under the preceding compensation scheme, the War Pension Scheme (WPS), have reduced year-on-year since the introduction of the AFCS.
12. As at 31 March 2017, there were 904 **initial survivors' claims** registered under the AFCS, with 35 registered in the latest financial year, 2016/17 (Annex A, Table 1). The trend in registered survivors' claims represents operational tempo with a peak in the number of survivors' claims registered in 2009/10 (137), a result of the high volume of operational military deaths at this time due to operations in Afghanistan.
13. The increasing numbers of registered initial injury/illness claims year-on-year has resulted in annual numbers of **reconsiderations and appeals** also increasing each year to 2,159 and 1,164 in 2014/15 respectively. However, since 2015/16 there appears to have been a time lag between the MOD receiving reconsideration and appeal applications and registering them on the Compensation and Pension System (CAPS). This has not appeared to have affected the processing of reconsiderations and appeals, nor their clearance times (as discussed on pages 7 and 8), but it has likely resulted in the 2016/17 figures for registered reconsiderations and appeals being an undercount. Therefore figures for 2016/17 should be interpreted as a minimum since they may increase in future. For this reason 2016/17 figures for registered reconsiderations and appeals have not been presented in Figure 2. These numbers will be updated in future publications as more accurate information becomes available.
14. As at 31 March 2017, there were 4,358 **reviews** registered under the AFCS, with 1,017 registered in the latest financial year, 2016/17 (Annex A, Table 1). Annual numbers of registered reviews have increased year-on-year, particularly since 2012/13 where the annual number of registered reviews increased from 357 to 1,017 in 2016/17 (an increase of 185%). It is believed that this increase is predominantly a result of increased numbers of interim awards which warrant a review two years later, for example annual numbers of registered interim awards increased from 364 to 673 between 2013/14 and 2015/16 (an increase of 85%). Figures for interim awards are presented in Annex A, Table 11. Further information on interim awards and reviews can be found in the Background Quality Report.

Table 1 in Annex A provides further detail on annual numbers of registered claims by claim type.

Results: Claim Clearance Times

15. This section presents information on the time taken to clear:

- a) Initial injury/illness claims
- b) Initial survivors' claims
- c) Reconsiderations
- d) Appeals

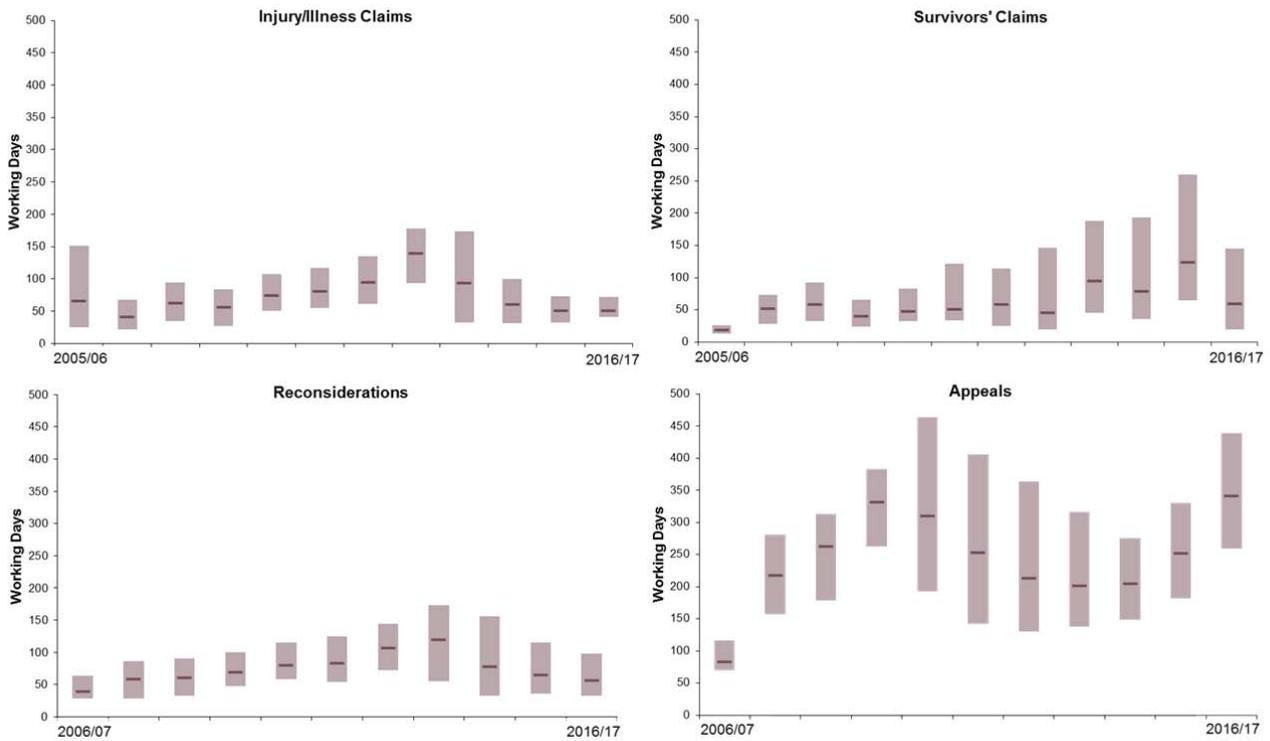
A claim is cleared once a decision has been made on the initial claim. Clearance times for reviews have not been calculated as they included a range of different assessments and clearance times vary for each type of review.

16. The average (median) has been provided as an indication of how long an average claimant can expect to wait for a decision. Clearance times have been calculated as the number of working days between the registered date and the cleared date of the claim.

Key Points:

- During 2016/17 injury/illness claims were cleared on average within ten weeks and survivors' claims were cleared on average within 12 weeks. Appeals took the longest time to clear (around 16 months). Appeal tribunals are independent of the MOD who has no control over the length of time it takes for a decision to be made.
- Clearance times for all claim types have fluctuated over time, driven by increasing/decreasing burden of claims and the prioritisation of the available resource to administer the AFCS and the WPS.

Figure 3: UK AFCS claim clearance times, by claim type and financial year, median average, upper quartile and lower quartile
2005/06¹ to 2016/17



Source: Compensation and Pension System

1. The AFCS scheme began on 6 April 2005.

Results: Claim Clearance Times (Cont.)

17. During 2016/17 initial **injury/illness claims** were cleared, on average, within 50 working days (or 2.5 months) (Figure 3; Annex A, Table 6). The average clearance times for injury/illness claims have decreased over the last three financial years from a peak in 2012/13 of 139 working days to 50 working days in 2015/16 and 2016/17. This decrease was primarily due to changes in workload/resources within the MOD. Over the duration of the scheme, from 2005/06 to 2016/17, the average clearance time for injury/illness claims was 67 working days.
18. During 2016/17 initial **survivors' claims** were cleared, on average, within 59 working days (or 3 months) (Figure 3; Annex A, Table 7). The average time taken to clear survivors' claims was higher in 2015/16 (123 working days) than in previous years. The range of clearance times was wider than for initial injury/illness claims, which was due to the processes involved e.g. there were often delays in processing while evidence was gathered and relationship statuses were checked. Over the duration of the scheme, the average clearance time for survivors' claims was 52 working days.
19. During 2016/17 **reconsiderations** were cleared, on average, within 55 working days (or 3 months) (Figure 3, Annex A, Table 8). There was a peak in average clearance times for reconsiderations in 2013/14 (119 working days). This was likely to be due to the change in resource priorities following the Lord Boyce Review. Over the duration of the scheme, the average clearance time for reconsiderations was 78 working days.
20. During 2016/17 **appeals** were cleared, on average, within 340 working days (or 16 months) (Figure 3; Annex A, Table 9), the longest it has taken to clear appeals since the scheme began. The range of clearance times for appeals was wider than other claim types due to the complexity of the process. AFCS appeals are heard at an independent Pension Appeal Tribunal (PAT) and the MOD has no control over the length of time it takes for evidence to be gathered and a decision to be made. For further information on the Pension Appeal Tribunal process please see the Background Quality Report. Over the duration of the scheme, the average clearance time for appeals was 246 working days.

Tables 6-9 in Annex A provide further detail on claim clearance times.

Results: Claim Outcomes

Claim Outcomes:

Awarded Lump Sum plus GIP- If a claimant is awarded for a more severe injury/illness (a tariff level between 1 and 11) then they will receive a Guaranteed Income Payment which is payable for life.

Awarded Lump Sum only- If a claimant is awarded for a less severe injury/illness (a tariff level between 12 and 15) then they will receive a one-off lump sum payment.

Accepted- No Award- If a claimant submits a claim for an injury/illness that isn't severe enough to be awarded a tariff level between 1 and 15 but it was accepted as due to Service, 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- If a claimant submits a claim for an injury/illness that was found not to be attributable to Service then their claim will be rejected and will receive no lump sum payment.

21. This section provides a summary of claim outcomes for initial injury/illness claims and initial survivors' claims registered under the AFCS as at 31 March 2017. All initial claims are evaluated by claims assessors within the MOD who make a decision, based on the information available at the time, on whether each claimed condition or death is attributable to Service.
22. Initial claim outcomes may change following reviews, reconsiderations or appeals and for the first time this Statistical Bulletin presents the latest outcome of all registered claims as at 31 March 2017, taking into account later changes in claim outcomes. Initial claims still pending a decision are also presented. Previous reports have only reported on the initial claims outcomes and have not considered any later changes in claim outcomes. The latest outcome for initial injury/illness claims refers to the latest tariff level recorded against each awarded condition within a claim on the Compensation and Pension System (CAPS).
23. Further details on the methodology change can be found in the Methodology section of this Statistical Bulletin and the accompanying background quality report. Further details on the decision-making process and payment of lump sum awards can be found on the gov.uk website¹.

Key Points:

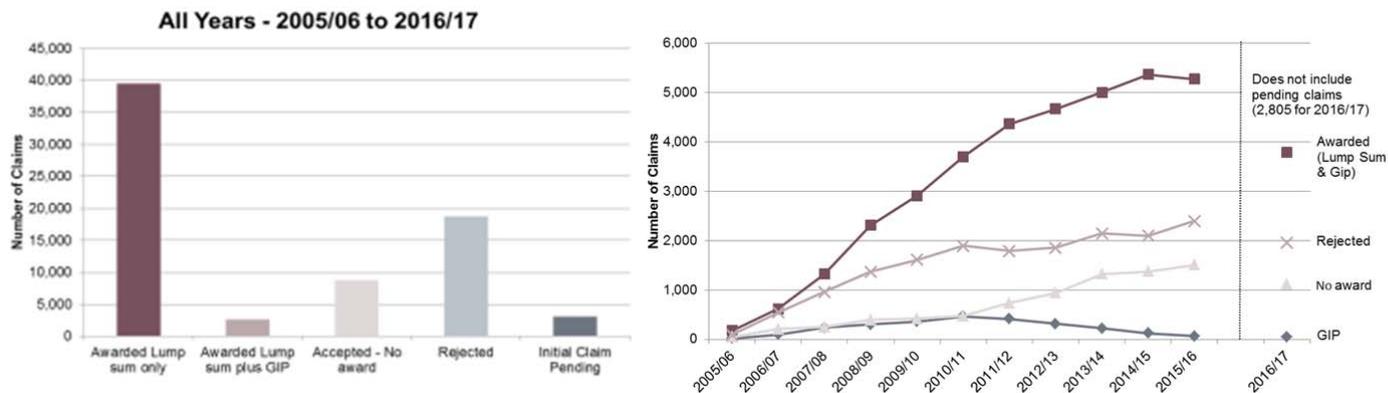
- Of the 9,700 registered initial injury/illness claims and 35 survivors' claims during 2016/17 with an outcome as at 31 March 2017, 56% and 17% were awarded compensation respectively. **Note:** These figures will change in the future as the 2,805 pending claims reach an outcome.
- Since the start of the scheme, up to the 31 March 2017, there were 39,512 claims awarded a lump sum payment, and an additional 2,666 claims awarded a lump sum payment and a GIP since the start of the scheme
- Annual numbers of cleared injury/illness claims have increased since the start of the scheme, in line with the increased numbers of registered claims.

¹ <https://www.gov.uk/government/publications/armed-forces-compensation/armed-forces-compensation-what-you-need-to-know>

Results: Claim Outcomes (Cont.)

Initial Injury / Illness Claim Outcomes

Figure 4: All initial injury/illness AFCS claims by claim outcome, numbers and percentages
6 April 2005¹ to 31 March 2017



Source: Compensation and Pension System

1. The AFCS began on the 6 April 2005

24. Of the 69,664 cleared claims since the start of the scheme, there were 39,512 (57%) claims awarded a lump sum payment and an additional 2,666 claims awarded a lump sum payment and a GIP as at 31 March 2017 (Figure 4). Annual numbers of injury/illness claims awarded and rejected have increased year-on-year since the start of the scheme (Figure 4), in line with the increased numbers of registered claims.

25. In 2016/17 there were 9,700 registered initial injury/illness claims, of which 6,895 (71%) were cleared and 2,805 (29%) were pending a decision as at 31 March 2017 (Annex A, Table 2). Of the cleared initial injury/illness claims, 3,829 (56%) were awarded compensation. This was consistent with the overall percentage of all cleared injury / illness claims awarded compensation since the start of the scheme (58%). Note that **Annex A, Table 2** shows that only 39% of initial injury/illness claims were awarded. This figure is lower than that discussed above since the table includes the 2,805 pending claims that were still awaiting a decision as at 31 March 2017. Therefore figures will change in the future as more pending initial injury/illness claims reach an outcome.

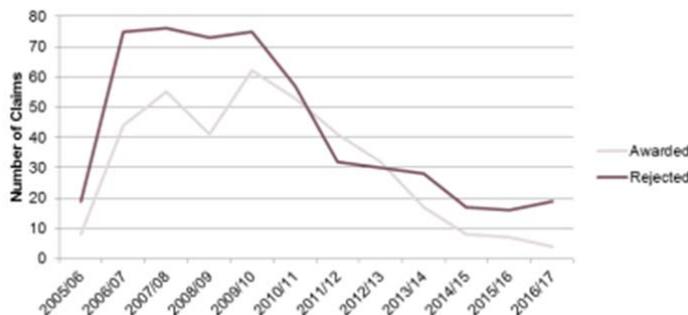
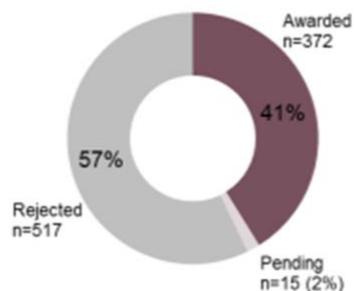
26. Of the 3,829 registered claims in 2016/17 that were awarded compensation as at 31 March 2017, 42 (1%) were also awarded a Guaranteed Income Payment (GIP), compared with 4% of all awards since the start of the scheme (**Annex A, Table 2**). However, the overall percentage includes previous financial years when there was a higher operational tempo which saw many more GIPs awards being made to personnel who sustained injuries/illness on operations. There was a peak in GIP awards in 2010/11 (464) and numbers have steadily decreased each year since. One reason for this peak was the Lord Boyce review which saw some tariff levels uplifted from a lump sum payment only to a lump sum payment with a GIP. However, the decline in numbers awarded a GIP between 2010/11 and 2015/16 is thought to be primarily due to the cessation of hostilities in Afghanistan, resulting in a reduction in more severe combat-related injuries.

Results: Claim Outcomes (Cont.)

Survivors' Claim Outcomes

Figure 5: All survivors' UK AFCS claims by claim outcome, numbers and percentages
6 April 2005¹ to 31 March 2017

All Years- 2005/06 to 2016/17



Source: Compensation and Pension System

1. The AFCS began on the 6 April 2005

27. As at 31 March 2017 there were 904 registered initial survivors' claims, of which 889 (98%) were cleared and 15 (2%) were pending a decision (Annex A, Table 2). Of the cleared initial survivors' claims, 372 (41%) were awarded compensation (Figure 5). There are several reasons why survivors' claims would be rejected:

- The claim may be for a death that was not attributable to Service.
- Claims from eligible partners (rather than spouses) may be rejected if there was not sufficient evidence of financial dependency.

28. Since the start of the scheme annual numbers of cleared survivors' claims have fluctuated, in line with the trend of registered survivors' claims, reflecting the change in operational tempo over time.

29. In 2016/17 there were 35 registered initial survivors' claims, of which 23 (66%) were cleared and 12 (34%) were pending a decision as at 31 March 2017 (**Annex A, Table 2**). Of the cleared initial survivors' claims, four (17%) were awarded compensation. This was lower than the overall percentage of all cleared initial survivors' claims awarded compensation since the start of the scheme (41%). It is currently unknown why this is lower though it is important to note that the percentage of awarded and rejected claims will increase considerably as the 12 pending initial survivors' claims reach a decision.

30. Note that **Annex A, Table 2** shows that only 11% of initial survivors' claims were awarded, compared with the 17% discussed above. This is because the table includes the 12 pending claims that were still awaiting a decision as at 31 March 2017. Therefore figures will change in the future as more pending initial survivors' claims reach an outcome.

Further detail on cleared initial injury/illness and survivors' claim outcomes can be found in **Annex A, Table 2**.

Results: Demographics of Awarded Injury/Illness Claimants

31. This section presents a demographic breakdown of awarded injury/illness claimants. The demographic breakdown of all lump recipients is presented alongside the breakdown of those who were additionally awarded a GIP for more severe injuries. For more information on awarded injury/illness claimants please see accompanying Background Quality Report.

Key Points:

- The gender and location profile of awarded claimants was similar to that of the UK Regular Armed Forces.
- There were higher percentages of awarded claimants in the Army and awarded claimants aged under 35, replicating other MOD research findings where Army personnel, personnel aged under 30 and Other Ranks were at significantly higher risk of reporting injury and ill health incidents
- The demographic profile of claimants in receipt of a GIP for more severe injuries was similar to that of all compensation recipients, with the exception of age group. GIP recipients were slightly older since they have to leave Service before receiving their GIP.

32. Since the start of the scheme, four out of five (84%) AFCS compensation recipients were awarded whilst in service (Figure 6). Therefore it may be expected that the demographic profile of those awarded is similar to that of the UK Armed Forces. Claimants awarded a lump sum award (as at latest outcome) as at 31 March 2017 (Figure 6) were most likely to be:

- a) Personnel who were serving or who served in the Army prior to exit (n=30,915, 73%)
- b) Male (n=38,821, 92%)
- c) Under 35 (n=32,629, 77%)
- d) Located in the South East of England and the South West of England (n=15,664, 37%).

33. The percentages of awarded AFCS claimants who were male and / or located in the South East or South West of England were in line with the gender and location profile of the UK Armed Forces^{2,3}. Estimated veteran location statistics also show that the South East and South West regions have the highest percentage of veterans⁴.

34. The percentages of awarded claimants who were in the Army (73%) and/or aged under 35 (77%) were higher than the percentage of Army personnel and personnel aged under 35 in the UK Armed Forces (62% and 64% respectively)⁷. These findings replicate recent MOD Health and Safety statistics⁵ which showed that Army personnel, personnel aged under 30 and Other Ranks were at significantly higher risk of reporting injury and ill health incidents.

35. The demographic breakdown of those who were in receipt of a GIP as at 31 March 2017 was similar to those awarded a lump sum payment (Figure 6). There was a slight shift in the age group of those receiving a GIP with the majority between 25 and 39 (n=1,755, 76%) as claimants have to leave Service before they can be in receipt of their GIP.

36. As at 31 March 2017 over half of all GIP recipients (n=1,317, 58%) had been awarded compensation at the lower GIP tariff levels 9 - 11 (Tariff Band D).

Further detail on the demographic profile of lump sum and GIP recipients can be found in **Annex A, Tables 16, 19 and 20**.

² As published in the MOD monthly personnel statistics: <https://www.gov.uk/government/collections/uk-armed-forces-monthly-service-personnel-statistics-index>

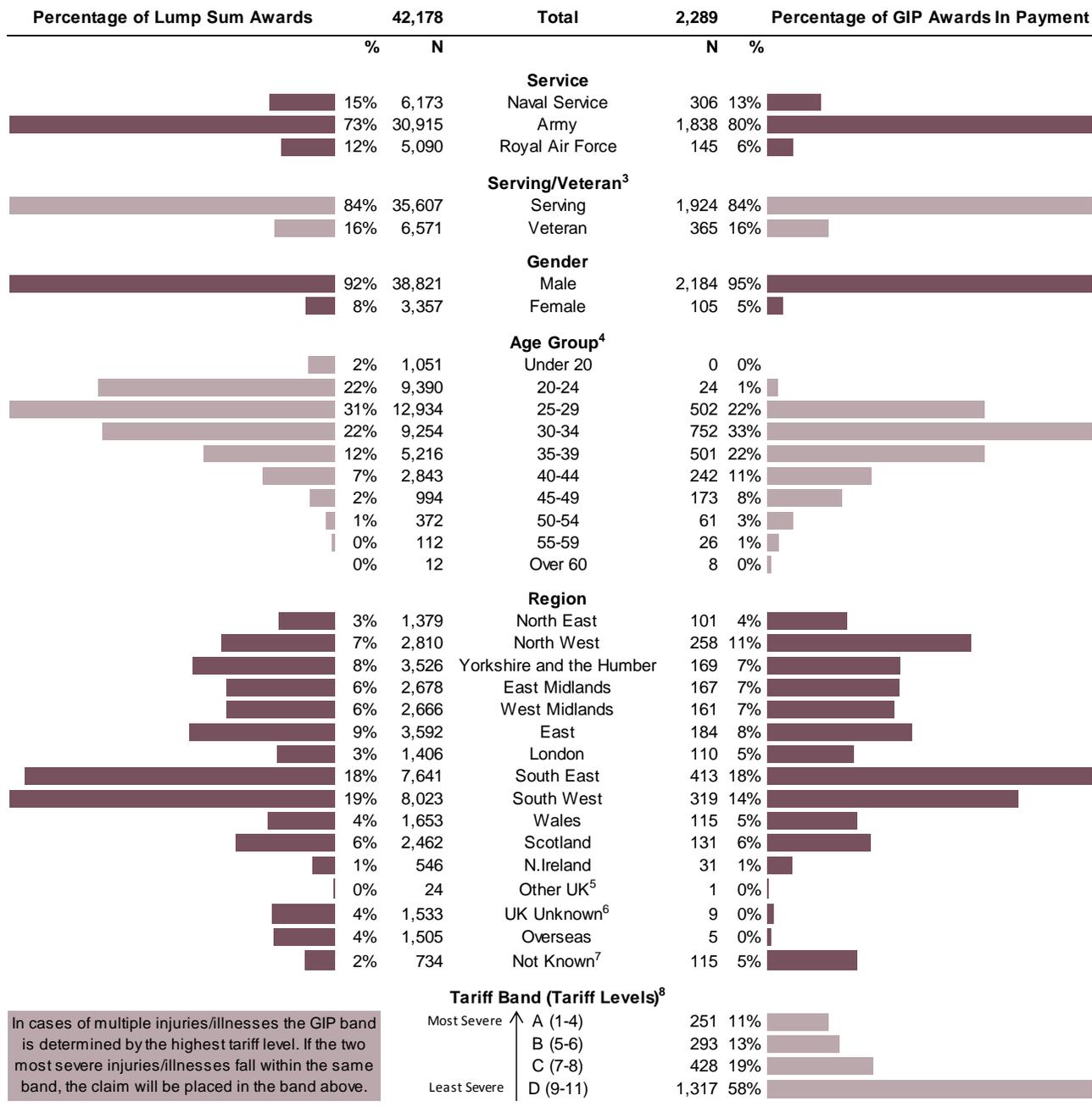
³ As published in the MOD quarterly location statistics: <https://www.gov.uk/government/collections/location-of-all-uk-regular-service-and-civilian-personnel-quarterly-statistics-index>

⁴ As published in the MOD Annual Population Survey Statistics: <https://www.gov.uk/government/collections/annual-population-survey-uk-armed-forces-veterans-residing-in-great-britain>

⁵ As published in the MOD annual health and safety statistics: <https://www.gov.uk/government/statistics/defence-personnel-health-and-safety-statistics-financial-year-201516>

Results: Demographics of Awarded Injury/Illness Claimants

Figure 6: Demographic breakdown of all awarded UK AFCS claimants¹, numbers, and percentages
6 April 2005² to 31 March 2017



Source: Compensation and Pension System

- Includes recipients of ALL awarded claims, including those awarded a GIP. Those awarded for more than one claim will be counted more than once.
- The AFCS began on the 6 April 2005.
- Refers to whether the claimant was serving/veteran at the time of claim registration. GIP Awards only commence after service ends.
- Age calculated as at date of Lump Sum award and as at 31 March 2017 in the cases of people in receipt of a GIP.
- Other UK includes Isle of Man and Channel Islands.
- UK Unknown includes those known to be resident in the UK but a GOR is not available.
- Address information is not available.
- See Background Quality Report for more information on Tariff Bands.

Results: Injury/Illness Awarded Conditions

37. This section presents a summary of all conditions awarded under the AFCS. This is presented separately for all lump recipients and those who were additionally awarded a GIP for more severe injuries. Individuals can be awarded for more than one condition within a claim. For more information on awarded conditions please see accompanying Background Quality Report.

Key Points:

- As at 31 March 2017 around half of all conditions awarded since the start of the scheme, and in the latest year (2016/17), were Musculoskeletal (MSK) Disorders. However, MSK Disorders made up only 14% of GIP awards. Therefore whilst MSK Disorders were the most prevalent there was only a small proportion awarded compensation due to a significant loss of earning capacity (i.e. a GIP).
- Some conditions such as mental disorders and amputations made up a small percentage of all awarded conditions but were more prevalent when considering only those conditions which attracted a GIP, reflecting the long-term, complex nature of these injuries/illnesses.

38. Across the 42,178 awarded claims there were 60,357 awarded conditions, of which 3,866 conditions also attracted a GIP (**Annex A, Table 15**). Conditions are categorised within tariff of injury groups⁶.

39. In 2016/17 half (50%) of awarded conditions fell within the musculoskeletal (MSK) disorders tariff of injury (**Annex A, Table 15**), which has remained the tariff of injury with the most awards since the start of the scheme (44% of all awarded conditions, Figure 7), followed by Fractures and Dislocations (24% of all awarded conditions, Figure 7). MSK disorders, fractures and dislocations are the most common cause of medical discharge from the UK Regular Armed Forces⁷. However, MSK Disorders was not the most common tariff of injury awarded when considering the more serious injuries that attracted a GIP (Figure 7). This suggests that whilst MSK disorders are the most prevalent, the majority of recipients are often not expected to experience a significant loss of earning capacity.

40. Conversely, there were conditions which made up only a small percentage of all lump sum awards as at 31 March 2017, but were much more prevalent when considering only awards for more serious conditions which attracted a GIP. For example, Mental Disorders increased from 5% to 12%, and Amputations increased from <1% to 9% (Figure 7; **Annex A, Table 15**). This reflects the long-term, complex nature of these injuries/illnesses, considered to impact on claimants' earning capacity in the future.

41. There is public interest in compensation awards for the following specific conditions which have been presented for the first time within **Annex A, Table 15**:

- a) Non-Freezing Cold Injury (NFCI): There have been 1,910 awards since the start of the scheme, with 118 awards in the most recent year (2016/17).
- b) Post-Traumatic Stress Disorder (PTSD): It is *estimated* that there may have been up to 2,489 awards since the start of the scheme, with up to 300 in the most recent year (2016/17). It is not possible to accurately determine the numbers of awards 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 and not PTSD.
- c) Noise-Induced Hearing Loss (NIHL): There have been 2,414 awards since the start of the scheme, with 116 awards in the most recent year (2016/17).

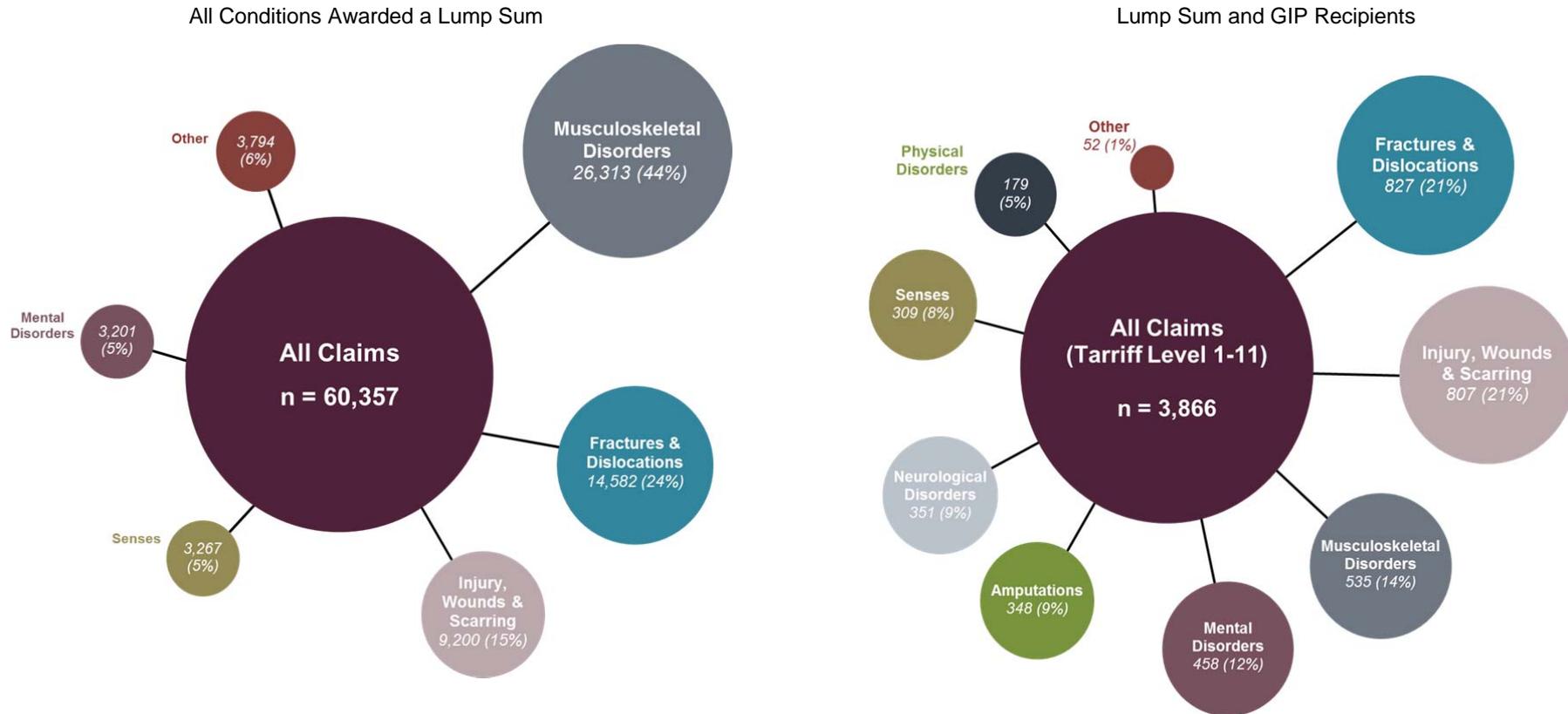
Further information on awarded conditions under the AFCS can be found in **Annex A, Table 15**.

⁶ Further information on tariff of injury groupings can be found here: <http://www.infolaw.co.uk/mod/afcsandspo.htm>

⁷ UK Service personnel medical discharge statistics: <https://www.gov.uk/government/collections/medical-discharges-among-uk-service-personnel-statistics-index>

Results: Injury/Illness Awarded Conditions (Cont.)

Figure 7: Most common tariff of injuries¹ awarded under the UK AFCS, numbers and percentages
6 April 2005² to 31 March 2017



Source: Compensation and Pension System

1. See background Quality Report for more information on Tariff Bands.
2. The AFCS began on the 6 April 2005.

Results: Recipients of Guaranteed Income Payments

42. This section presents further detail on those 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) at 31 March 2017. For more information on GIPs and the AFIP please see accompanying Background Quality Report.

43. 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 claim (where a post-Service claim has been registered) and therefore all recipients of a GIP are veterans.

Key Points:

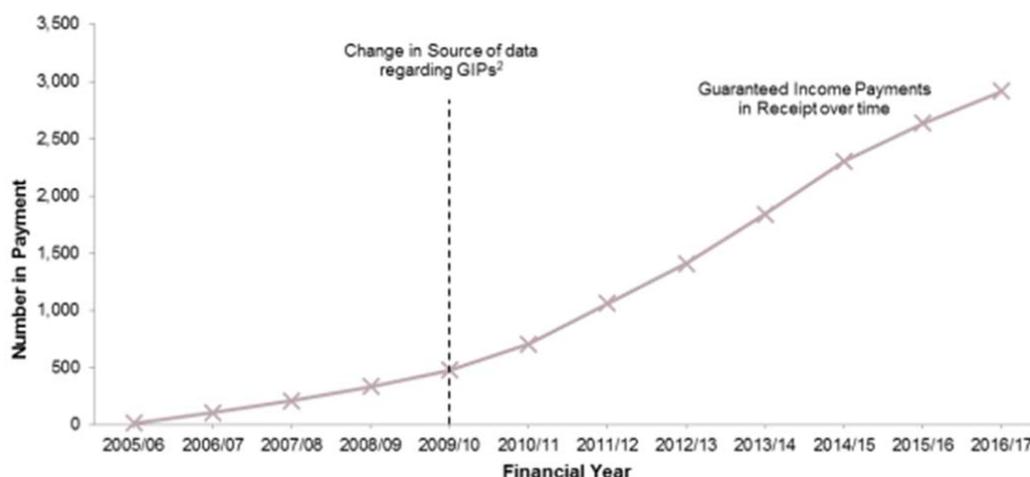
- As at 31 March 2017 there were 2,289 veterans in receipt of a GIP. The annual numbers of GIP recipients have increased year-on-year as the scheme is cumulative with more GIP recipients joining each year.
- As at 31 March 2017 there were 970 recipients of the Armed Forces Independence Payment (AFIP), an on-going payment to help with the additional costs associated with their Service attributable injuries / illnesses.

44. As at 31 March 2017 there were 2,289 veterans in receipt of a GIP following an injury / illness claim (**Annex A, Table 17**). This number is lower than the number of GIP awards made since the start of the scheme (as presented in Annex A, Table 2) due to the following reasons:

- One 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.

Figure 8: UK Armed Forces Veterans in receipt of a Guaranteed Income Payment, by financial year, numbers¹

As at 31 March 2006 to as at 31 March 2017



Source: Veterans UK Finance Team

1. This table 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.

Results: Recipients of Guaranteed Income Payments (Cont.)

45. Since 6 April 2005, the number of ex-Service personnel in receipt of a GIP has increased year on year (Figure 8). 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

46. 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 a long-term health condition or disability

47. As at 31 March 2017, there were 972 recipients of a GIP who were awarded at 50% or above and were therefore eligible to also be in receipt of the AFIP (**Annex A, Table 20**), and there were 970 recipients of the AFIP. There are a number of reasons why personnel may not be receiving the AFIP:

- A claimant may have opted to continue to receive the Personal Independence Payment (see Background Quality Report for further details).
- The GIP award was made recently and therefore the claimant's AFIP payment was still being processed.
- The MOD has had a non-response from the claimant to determine whether they wish to receive the AFIP.

Results: Survivors' Guaranteed Income Payments

48. This section presents further detail on survivors awarded a Survivors' Guaranteed Income Payment (SGIP), and provides summary statistics on recipients of a SGIP as at 31 March 2017. For more information on SGIPs please see accompanying Background Quality Report.

49. A SGIP is a taxable payment designed to compensate an individual for loss of financial support following the death of their partner/spouse where death was caused or substantially hastened by Service. Payments are also made for dependent children in full-time education.

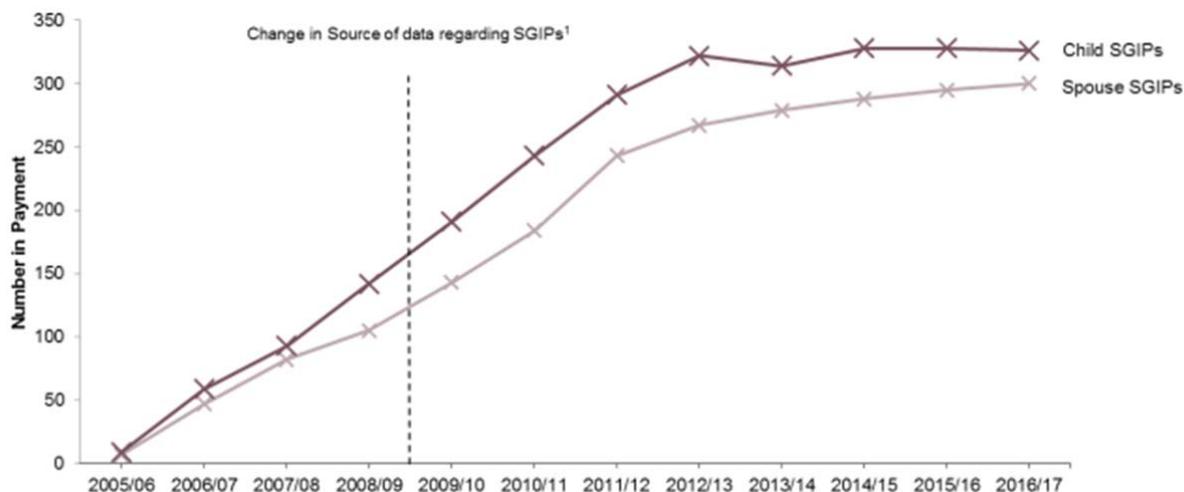
50. An awarded survivors' claim may result in more than one recipient being in receipt of a SGIP e.g. a spouse GIP and child GIP

Key Points:

- As at 31 March 2017 there were 626 recipients of a SGIP (300 spouses; 326 children).
- The number of SGIPs in payment increased over time between 2005/06 and 2012/13 this was at a time when there was high operational tempo in Iraq and Afghanistan resulting in higher numbers of deaths (<https://www.gov.uk/government/statistics/uk-armed-forces-deaths-in-service-2016>).

Figure 9: Eligible spouses in receipt of a Survivors' Guaranteed Income Payment or Child Guaranteed Income Payment, by financial year, numbers¹

6 April 2005 to 31 March 2017



Source: Veterans UK Finance Team

1. From January 2009 there was a change in the source of data regarding SGIPs. Data prior to this date was sourced from a contractor (Paymaster) and do not include SGIP 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 SGIP awards.

51. As at 31 March 2017 there were 626 recipients of a SGIP, 300 paid to spouses and 326 paid to children (**Annex A, Table 20**). Since the start of the scheme 6 April 2005, the number of eligible spouses and children in receipt of a SGIP increased year on year (Figure 9). Since 2012/13 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 therefore there was also a reduction in SGIP claims and awards.

52. The majority of spouse SGIP recipients were female (99%) and/or under 40 (59%) with the highest percentage located in the South East of England and the South West of England (33%) (Figure 10).

Results: Survivors' Guaranteed Income Payments (Cont.)

Figure 10: Demographic breakdown of all awarded UK SGIP recipients, numbers and percentages
As at 31 March 2017

Total		300 Spouses		326 Child	
		N	%	N	%
Gender	Male	4	1%	178	55%
	Female	296	99%	148	45%
Age Group	Under 20	0	0%	317	97%
	20-24	4	1%	9	3%
	25-29	34	11%	0	0%
	30-34	68	23%	0	0%
	35-39	71	24%	0	0%
	40-44	50	17%	0	0%
	45-49	34	11%	0	0%
	50-54	27	9%	0	0%
	Over 55	12	4%	0	0%
	Region	North East	16	5%	9
North West		24	8%	22	7%
Yorkshire and the Humber		24	8%	19	6%
East Midlands		21	7%	11	3%
West Midlands		21	7%	20	6%
East		17	6%	13	4%
London		3	1%	5	2%
South East		45	15%	26	8%
South West		54	18%	39	12%
Wales		21	7%	9	3%
Scotland		32	11%	18	6%
N.Ireland		7	2%	0	0%
Other UK ¹		0	0%	7	2%
UK Unknown ²		0	0%	0	0%
Overseas		11	4%	14	4%
Not Known ³	4	1%	114	35%	

Source: Veterans UK Finance Team

1. Other UK includes Isle of Man and Channel Islands.
2. UK Unknown includes those known to be resident in the UK but the Region could not be derived from address information.
3. Address information was not available.

Results: AFCS awards to those deployed to Iraq and/or Afghanistan

53. 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. For more information on those deployed to Iraq/Afghanistan please see accompanying Background Quality Report.
54. However, 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.
55. Of the 40,500 people awarded compensation for an initial claim for an injury/illness caused by Service as at 31 March 2017, a total of 22,891 had deployed to Iraq and/or Afghanistan prior to their claim. Of these:
- 5,522 individuals had deployed on Operations in Iraq only prior to the registered date of their claim.
 - 10,190 individuals had deployed on Operations in Afghanistan only prior to the registered date of their claim.
 - 7,179 individuals had deployed on Operations in both Iraq and Afghanistan prior to the registered date of their claim.

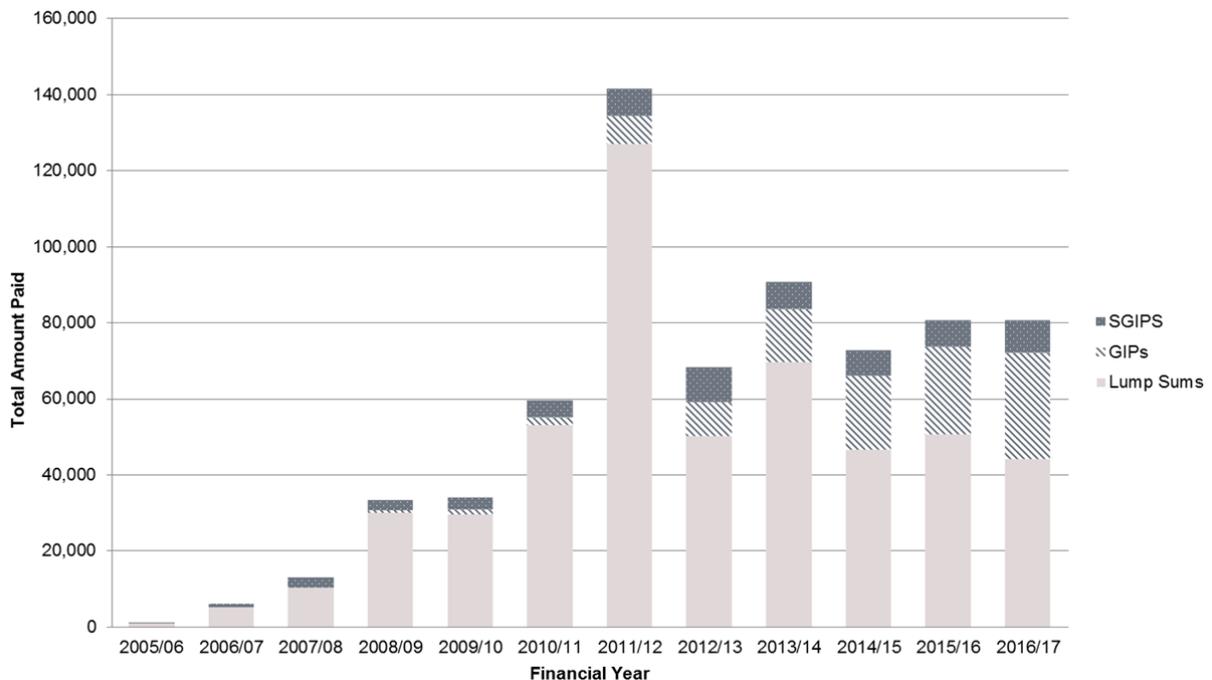
Results: Financial Amounts Paid Out under the AFCS

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

57. As at 31 March 2017 over £680M has been paid out under the scheme (**Annex A, Table 21**):

- Over £517M was paid out in lump sum payments.
- Over £104M was paid out Guaranteed Income Payments.
- Over £59M was paid out in Survivors' Guaranteed Income Payments.

Figure 11: AFCS expenditure, by type of payment and financial year, £
6 April 2005 to 31 March 2017



58. The total amount paid out in lump sum payments during 2011/12 was much higher compared to other financial years (over £126M). This was primarily due to additional payments made following the Lord Boyce Review.

59. There was also a peak in the amount paid out in lump sums during 2013/14. This was driven by an increase in the number of cleared claims (where a decision was made), during 2013/14. Additional resources were allocated to AFCS workloads to clear a backlog of cases following the Lord Boyce Review.

60. The annual amounts paid out in Guaranteed Income Payments increased year on year. This was expected as the amounts paid each year represent all ongoing payments and not just those awarded in each year.

Methodology

61. This section provides a brief summary of the methodology and data sources; more detailed information is available in the Background Quality Report.
62. Previous statistical bulletins have 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. The methodology has now been amended to enable the latest claim outcome for all claims to be derived. Further details on the methodology change are presented in the accompanying Background Quality Report.

Data Sources

63. Most of the information presented within this Statistical Bulletin was sourced from AFCS data held on the Compensation and Pension System (CAPS) which is 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.
64. 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.
65. 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.
66. Deployment data are 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

67. 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.
68. 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 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 caused by Service.
69. For the first time this Statistical Bulletin presents claim outcomes based on the latest information held for each claim at the time of reporting. Previous reports have only presented initial claim outcomes which did not account for any changes in claim outcomes following reconsideration, appeal or review. For more information please see the Background Quality Report.

Methodology (Cont.)

70. Please note that some information on the outcomes of appeals made under the AFCS was not recorded on CAPS and was therefore not presented in this report. All registered appeals are recorded on 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 investigating the feasibility of including this information in future reports.

Calculation of claim clearance times

71. Information on AFCS claim clearance times has been presented as a median average with an inter-quartile range, rather than a mean average and standard deviation as these statistics were affected less by outliers. 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 (from smallest value to largest value) dataset into four equal parts. The lower quartile (LQ) is the value that at which 25% of the values in the dataset will be below. The 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.

72. Further information on the techniques used to investigate clearance times can be found in the accompanying Background Quality Report and in **Annex A**.

Strengths and weaknesses of the data presented in this report

73. 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.

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

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 Armed Forces Independence Payment (AFIP). 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.

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 BQR for more information.

Glossary (Cont.)

MOD Voluntary Early Release Scheme (VERS): The MOD introduced the VERS off the back of the Strategic Defence and Security Review (SDSR), published in October 2010. The Prime Minister stated his ambition was to “ensure that as many of the job losses as possible are found through voluntary redundancy and retirement, rather than making people redundant.

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.

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 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 the Services.

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

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 JSP 200 (April 2016), the suppression methodology has been applied to ensure individuals are not inadvertently identified dependent on the risk of disclosure. Numbers fewer than three have been suppressed and presented as '~'. Where there was only one cell in a row or column that was fewer than three, the next smallest number has also been suppressed so that numbers cannot simply be derived from totals. If a disclosure control method has been applied to a table, the method is stated in the footnotes. For further information on statistical disclosure control see Background Quality Report.

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 Background Quality report 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.

Scheme information

Further information on the AFPS, WPS and AFCS can be found on the Gov.UK website:

AFPS: <https://www.gov.uk/pensions-and-compensation-for-veterans>

WPS and AFCS: <https://www.gov.uk/government/collections/armed-forces-compensation>

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:

Defence Statistics (Health) Tel: 030 6798 4423

Email: DefStrat-Stat-Health-Hd@mod.uk

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>

Further Information (Cont.)

Other contact points within Defence Statistics are:

Defence Expenditure Analysis	030 6793 4531	DefStrat-Econ-ESES-DEA-Hd@mod.uk
Price Indices	030 6793 2100	DefStrat-Econ-ESES-PI-Hd@mod.uk
Naval Service Manpower	023 9254 7426	DefStrat-Stat-Navy-Hd@mod.uk
Army Manpower	01264 886175	DefStrat-Stat-Army-Hd@mod.uk
RAF Manpower	01494 496822	DefStrat-Stat-Air-Hd@mod.uk
Tri-Service Manpower	020 7807 8896	DefStrat-Stat-Tri-Hd@mod.uk
Civilian Manpower	020 7218 1359	DefStrat-Stat-Civ-Hd@mod.uk
Health Information	030 6798 4423	DefStrat-Stat-Health-Hd@mod.uk

Please note that these email addresses may change later in the year.

If you wish to correspond by mail, our postal address is:

Defence Statistics (Health)
Ministry of Defence, Abbey Wood (North)
#6028, Oak, 0, West
Bristol
BS34 8JH

For general MOD enquiries, please call: 020 7218 9000