



Ministry  
of Defence

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Reference: FOI2014/03382

Date: 6 August 2014

Dear [REDACTED]

Thank you for your email of 12 July 2014 requesting the following information:

Could you tell me how many claims for compensation have been made by members of the armed services since 2005.

Could you also provide details of how many claims were rejected and how much has been paid in compensation.

I would like the figures to be compiled by year.

I am treating your correspondence as a request for information under the Freedom of Information Act 2000.

A search for the information has now been completed within the Ministry of Defence, and I can confirm that information on the amounts paid in compensation under the Armed Forces and Reserves Forces Compensation Scheme (AFCS) is held. The information you requested is provided in Table 1 below.

I can confirm that the Ministry of Defence also holds information on claims made and claims rejected under the AFCS. However, the information is exempt under Section 21 of the Freedom of Information Act (FOIA), because it is reasonably accessible to you by other means. It is published on the Gov.UK website: <https://www.gov.uk/government/collections/armed-forces-compensation-scheme-statistics-index>. Tables 2.1 and 2.2 in the publication will provide you with the number of claims made and claims rejected under the AFCS.

**Table 1: Compensation paid out under the AFCS, by claim type<sup>1</sup> and financial year, amounts (£m)<sup>2</sup>**

|   | 6 Apr 05 -<br>31 Mar 06 | 2006/07      | 2007/08       | 2008/09       | 2009/10       | 2010/11       | 2011/12        | 2012/13       | 2013/14       |
|---|-------------------------|--------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|
| <b>Total AFCS Compensation Payable</b>    | <b>1,274</b>            | <b>6,159</b> | <b>13,067</b> | <b>33,490</b> | <b>34,183</b> | <b>59,515</b> | <b>141,476</b> | <b>68,305</b> | <b>90,644</b> |
| Injury Claims: Guaranteed Income Payments | 0                       | 72           | 109           | 579           | 1,355         | 2,061         | 7,298          | 9,013         | 13,971        |
| Injury Claims: Lump Sum Payments          | 1,092                   | 5,253        | 10,387        | 30,175        | 29,575        | 53,065        | 126,906        | 50,115        | 69,587        |
| Survivors' Claims                         | 182                     | 833          | 2,571         | 2,736         | 3,253         | 4,389         | 7,272          | 9,178         | 7,087         |

**Sources: Joint Personnel Administration System, Paymaster and Equiniti Paymaster**

<sup>1</sup> **Injury 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; **Survivors' claims** - those made by surviving dependants of former members of the Armed Forces where death was caused by Service on or after 6 April 2005.

<sup>2</sup> Annual totals may not equal the sum of their parts due to rounding. Figures have been rounded to the nearest £ million.

Please note that recommendations from a 2010 AFCS review resulted in increased lump sum award payments, including additional back-payments made to those that had been awarded a lump sum since the start of the scheme. The majority of the back-payments were issued in the 2011/12 financial year, with some issued in later years.

Under section 16 of the Act (Advice and Assistance), you may find it useful to note the following:

The Armed Forces and Reserve Forces Compensation Scheme (AFCS) came into force on 6 April 2005 to pay compensation for injury, illness or death caused by Service that occurred on or after that date. It replaced the previous compensation arrangements provided by the War Pensions Scheme (WPS) and the attributable elements of the Armed Forces Pensions Scheme.

Under the AFCS, compensation payments include a tariff-based tax free lump sum for pain and suffering associated with the injury or illness, the size of which reflects the severity of the injury or illness. There are 15 tariff levels with associated lump sums. For more serious injuries, in addition to the lump sum, a tax-free index-linked income stream known as the Guaranteed Income Payment (GIP) is paid from service termination for life to recognise loss of future earnings due to the injury or illness. Under the AFCS, a claim can be made and awarded while still in Service.

In 2010 a review of the AFCS was conducted under the independent chairmanship of former Chief of Defence Staff, Admiral the Lord Boyce. The Review found the Scheme was fundamentally sound but required adjustment in some areas. A full summary of the Review can be found at: <https://www.gov.uk/government/publications/the-review-of-the-armed-forces-compensation-scheme>. The recommendations made following the Boyce Review were incorporated into the AFCS on 9 May 2011; initial lump sum awards issued on or after that date were increased and additional back-payments were issued to those who had already received lump sum awards prior to that date.

Serving personnel are issued AFCS lump sum payments via the Joint Personnel Administration (JPA) system. Ex-serving personnel and dependants are paid via Paymaster. Equiniti Paymaster are a third party with the contract to issue payments and provide accounting services (in respect of the AFCS and Armed Forces Pension Scheme) on behalf of Defence Business Services (formally the Service Personnel and Veterans' Agency).

Further information on the AFCS can be found at the following link: <https://www.gov.uk/pensions-and-compensation-for-veterans>.

Would you like to be added to our contact list, so that we can inform you about updates to our statistical publications covering the AFCS and consult you if we are thinking of making changes? You can subscribe to updates by emailing: [DefStrat-Stat-Health-PQ-FOI@mod.uk](mailto:DefStrat-Stat-Health-PQ-FOI@mod.uk)

If you are not satisfied with this response or you wish to complain about any aspect of the handling of your request, then you should contact me in the first instance. If informal resolution is not possible and you are still dissatisfied then you may apply for an independent internal review by contacting the Information Rights Compliance team, 1st Floor, MOD Main Building, Whitehall, SW1A 2HB (e-mail [CIO-FOI-IR@mod.uk](mailto:CIO-FOI-IR@mod.uk)). Please note that any request for an internal review must be made within 40 working days of the date on which the attempt to reach informal resolution has come to an end.

If you remain dissatisfied following an internal review, you may take your complaint to the Information Commissioner under the provisions of Section 50 of the Freedom of Information Act. Please note that the Information Commissioner will not investigate your case until the MOD internal review process has been completed. Further details of the role and powers of the Information Commissioner can be found on the Commissioner's website, <http://www.ico.gov.uk>.

I hope this is helpful.

Yours sincerely,

Defence Statistics (Health)