

Background Quality Report

Ministry of Defence Compensation claims statistics FY15/16

1. Introduction

1.1 Overview

The Ministry of Defence (MOD) compensation claims report is released on an annual basis as Official Statistics, providing statistics on common law compensation claims against the MOD (other than those arising out of contract disputes), including the number of new claims brought, the number of claims settled and the in-year-expenditure on claims. The claims are dealt with by the Directorate of Judicial Engagement Policy – Common Law Claims & Policy (DJEP-CLCP), or by MOD's claims handling agents operating in accordance with instructions provided by DJEP-CLCP. The majority of compensation claims received by the MOD relate to injury to employees and third party motor incidents involving MOD operated vehicles and these are managed by MOD's contracted claims handlers¹. The categories of claim currently managed in-house include sensitive employer's liability claims, public liability, clinical negligence, military low flying, maritime and third party motor collisions.

The background quality report covers the statistics published on:

<https://www.gov.uk/government/collections/mod-compensation-claims-statistics>

1.2 Background and Context

Prior to these statistics being published in a separate annual Claims statistical bulletin (i.e. before 2014/15), statistics on claims brought against the MOD were published in two places:

- Claims Annual Report: Published internally but with virtually no external distribution other than to a small number of MOD's business partners. However, the Claims Annual Report is provided externally if requested under the Freedom of Information Act. The statistics in this Report were not considered to be official statistics.
- [UK Defence Statistics Compendium](#) and the [Tri-Service Personnel Bulletin](#)²: Both publications included two tables of Claims statistics on 'New claims and settled claims by broad category' and 'New claims and settled claims by broad cause'. The statistics contained in these publications were considered to be official statistics

1.3 Methodology and Production

These statistics are primarily counts of the number of claims brought and settled in a given financial year broken down by type of claim (Public Liability (including third party motor claims), Employer's Liability – Service, Employer's Liability – Civilian, Clinical Negligence, and Other (Area Claims Offices and Defence Infrastructure Organisation)) as well as the category of the claim. The nature of the claims received changes over time and this is reflected by incorporating information on the highest claims categories or those for which there is particular interest. Data is also provided on the in-year expenditure on claims by category which contains a high level summary of the payments made on claims in the financial year.

Data is collated from a number of difference sources: DJEP-CLCP's Claims handling information payment system (CHIPS) is used for claims managed in-house. This is a database for which information can be queried and extracted. Claims handlers keep CHIPS up-to-date so the data should be accurate. MOD's contracted claims handlers Royal Sun Alliance (RSA), Gallagher Bassett– provide the information on the claims

¹ Royal Sun Alliance for legacy claims and Gallagher Bassett International Ltd for claims received from 1 May 2007.

² Production of these publications has now ceased.

for which they are responsible. RSA provide information on claims prior to 30 April 2007; Gallagher Bassett on claims received from 1 May 2007. Financial information provided by the contracted claims handlers is checked against information held by Head Office – Corporate Services (HOCS) Finance to ensure consistency.

2. Relevance

The principal customers for MOD compensation claims statistics are internal; however, the statistics are often used to answer queries from journalists and Freedom of Information requests, reflecting a degree of external interest in the subject.

The primary rationale for producing the claims statistics is to ensure that there is a publicly available record of this very substantial category of public expenditure. It also serves to heighten awareness in all areas of the Department of the importance of sound risk management, in the expectation that this may reduce the number of incidents giving rise to claims. The Defence Board receives quarterly information on claims.

3. Accuracy

All claims are recorded on CHIPS or equivalent systems used by MOD's contracted claims handlers and it may therefore be assumed that the overall number of claims should be accurate. There is a possibility that cases transferred between the MOD and its contractors (not more than 0.5% of the total) could be double counted. Efforts are being made to prevent this. The payment data is extracted from the same systems and is checked against information on costs held by HOCS Finance to ensure consistency. Any revisions which need to be made to the statistics are highlighted in the next publication.

4. Timeliness and Punctuality

The 2016/17 report has a provisional release date of 31 August 2017, as pre-announced on the MOD's Calendar of Upcoming Releases² section of GOV.UK. This will mean an improvement to timeliness will be made to the 2016/17 report.

5. Accessibility and Clarity

The publication can be found on <https://www.gov.uk/government/collections/mod-compensation-claims-statistics> and is available in pdf format. In order to assist the reader, the publication contains a key points section which draws out the main findings. Information is provided in the tables, including footnotes, to aid interpretation of the data.

6. Coherence and Comparability

The GOV.UK statistics on MOD compensation claims are the definitive claims statistics. The tables in the 2015/16 publication are directly comparable to those for the previous year.

7. References

	Reference	Website Location
1	Statistics at MOD Homepage	https://www.gov.uk/government/organisations/ministry-of-defence/about/statistics
2	MOD's Timetable of Future Releases of National and Official Statistics	https://www.gov.uk/government/publications/mod-timetable-for-future-releases-of-national-and-official-statistics

8. Contact Details

Claims Point of Contact –

Deputy Head of Common Law Claims and Policy, Tel: 0207 218 1538

E-mail: DJEP-ClaimsGeneral@mod.uk

Statistical Point of Contact –

Head of Defence Statistics (Tri-Service), Tel: 0207 807 8896

E-mail: DefStrat-Stat-Tri-Hd@mod.uk

Last updated: 8 Feb 17