Background Quality Report

Armed Forces Compensation Scheme Biannual Statistics – 6 April 2005 to 30 September 2015

The purpose of a background quality report is to inform users of the statistics about the quality of the data used to produce the publication, and any statistics derived from that data. It also discusses existing uses of the statistics and user requirements.

This assessment relates to the biannual 'Armed Forces Compensation Scheme' statistics published by Defence Statistics.

1. Introduction

- This biannual Statistical Notice provides summary statistics on claims and awards made under the Armed Forces and Reserve Forces Compensation Scheme (AFCS), paying compensation for injury, illness or death caused by Service. The following areas of information are covered:
 - The number of claims, reconsiderations and appeals registered under the AFCS and outcomes for these cases.
 - Information on clearance times including the average working days it has taken for AFCS claims to be cleared by Veterans UK.
 - Service and demographic breakdowns for those awarded compensation following an initial claim.
 - The number of people in receipt of Guaranteed Income Payments (GIPs) and Survivors' Guaranteed Income Payments (SGIPs) under the scheme.
 - The number of Service personnel and veterans in receipt of the Armed Forces Independence payment (AFIP).
 - Total amounts paid out in lump sum awards, GIPs and SGIPs under the scheme.
- 2. These statistics present trends over time since the scheme began on 6 April 2005 and further detail for the latest five quarters.
- 3. The latest statistics (published 4 June 2015) are published as National Statistics, adhering to the UK Statistics Authority (UKSA) protocols on <u>pre-release access</u>.
- 4. Ad-hoc interrogation of the data used to compile these statistics is regularly undertaken by Defence Statistics in order to answer Freedom of Information requests, Parliamentary questions and internal queries from within the Ministry of Defence.

Background

- 5. The AFCS came into force on 6 April 2005. It replaced the previous compensation arrangements provided by the War Pensions Scheme (WPS) and the attributable elements of the Armed Forces Pensions Scheme. Defence Statistics also publishes separate <u>annual National Statistics</u> on claims and awards under the WPS which can be found on the Gov.uk website.
- 6. These statistics were first released in September 2008 and subsequently published on a quarterly basis. Following the quarterly release in March 2011, Defence Statistics proposed a

reduction in the frequency of the Armed Forces Compensation Scheme Official Statistic from quarterly reports to bi-annual reports (reporting on mid-financial year data in December and end of financial year data in June). The first bi-annual report was released in June 2011. These statistics were designated National Statistics in 2013, with the first National Statistic release in December 2013.

- 7. The AFCS is managed by Veterans UK. Full guidance and policy information on this scheme can be found on the Gov.uk website.
- 8. AFCS Review: 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 Lord Boyce Review can be found on the Gov.UK website. The principal amendment to the scheme was the increased lump sum award amounts assigned to the scheme's tariff levels (presented in **Table 1** below), with those awarded prior to the review also receiving a 'top-up' to make up the difference. Information presented within the Statistical Bulletin on the total amounts paid out under the scheme (Table 18 in Annex A) reflect the increased payments.

Table 1: Pre- and Post- Lord Boyce Review Lump Sum Award amounts by Tariff Level, £ Lumn Sum Awards

Tariff	Lump Sum Awards	
Level	Pre-Review	Post -Review
1	570,000	570,000
2	402,500	470,000
3	230,000	380,000
4	172,500	290,000
5	115,000	175,000
6	92,000	140,000
7	63,825	90,000
8	48,875	60,000
9	34,100	40,000
10	23,100	27,000
11	13,750	15,500
12	9,075	10,000
13	5,775	6,000
14	2,888	3,000
15	1,155	1,200

Tariff

Scheme information and definitions

- 9. Individuals are eligible to claim under the AFCS for any injury/illness/death caused by Service on or after 6 April 2005. 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 lateonset 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.
- 10. 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.

11. Where death is caused by Service the AFCS provides an income stream known as the Survivor's Guaranteed Income Payment (SGIP). This is payable to the spouse, civil partner or adult dependant for life. Compensation is also paid to eligible children, known as the Child Payment (CP).

12. Injury claims include:

- In-Service claims those made by serving members of the Armed Forces.
- Medical discharge claims due to the complexities of the eligibility criteria for medical discharge claims, see paragraph 14 for more information on the process.
- Post-Service claims those made by former Service Personnel.
- Additional claims those made following in-Service, medical discharge, or post-Service claims, to include additional information not presented in the initial claim.

13. Survivors' claims include:

- Death-in-Service entitlement to compensation for surviving eligible partner and/or dependents is considered automatically by Veterans UK.
- Death-post-Service claims those made by surviving dependents of ex-Service Personnel who died after leaving Service.
- Additional child claims these claims are made for an additional child who was not included within the initial claim.
- 14. Medical Discharge Claims: Personnel medically discharged from Service will have a claim automatically registered under the AFCS if they meet the following criteria:
 - They have served more than two years' reckonable Service.
 - Their medical discharge was as a result of injury/illness due to Service on or after 6 April 2005. Where injury / illness was a result of Service prior to this date they will be considered under the WPS.
 - They have not been previously awarded under the scheme following an in-Service claim for the injury/illness/condition which led to their medical discharge. Prior to the Lord Boyce Review these cases were automatically registered as a medical discharge claim but later rejected. However, since the Review these cases are no longer automatically considered. See paragraph 17 for more details on the Review.
 - They are a member of the Armed Forces Pension Scheme (AFPS) 75 pension scheme; or they are a member of the AFPS 05 scheme AND are in receipt of Tier 2 or Tier 3 ill health benefits from that scheme. Further information on the AFPS 05 ill health benefits can be found on the Gov.uk website:
 - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/252577/afp_s05_mmp127_ill_health_benefits.pdf.
- 15. 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. Between 6 April 2005 and 30 September 2015 there have been 11,930 spanning cases included within the Veterans UK workload but which are not reflected within these statistics.
- 16. Lump Sums: 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. The tariff has 15 levels, each with an associated lump sum amount which reflects the severity of the injury or illness. The lower numerical tariff levels (i.e. 1-4) reflect the more severe injuries/illnesses that are eligible for higher monetary awards.

- 17. As a result of changes recommended by the Lord Boyce Review, Veterans UK carried out an exercise to revisit previous awards and make additional payments. Please note that any changes made to the tariff levels following this exercise are not currently recorded on the live CAPS and are therefore not reflected in this publication. Therefore the tariff levels provided in Tables 9 and 10 reflect the pre-Review decision. Defence Statistics will update this information in future releases, once the data are available on the CAPS.
- 18. Tariff levels 1 to 11 are divided into four bands and they refer to the percentage used to calculate the annual amount of the GIP; 100% for Band A (most severe condition awarded at tariff levels 1-4, 75% for Band B (most severe condition awarded at tariff levels 5-6), 50% for Band C (most severe condition awarded at tariff levels 7-8) and 30% for Band D (most severe condition awarded at tariff levels 9-11).
- 19. The Tariff (Tariff of Injury Table & Tariff Level): The tariff is separated into nine tariff of injury tables; injuries/illnesses grouped together by common factors, and each tariff of injury table is separated into tariff levels (1-15), depending on the severity of the injury/illness. The tariff of injury tables can be found at the following link: http://www.infolaw.co.uk/mod/docs/AFCS-2014-04-07.pdf.
- 20. If a claimant is not satisfied with the outcome of their claim they may lodge an appeal to an appropriate Tribunal. Where an appeal has been lodged and a reconsideration has not already been carried out, the agency must carry out a reconsideration of the original decision and notify both the claimant and the Tribunal of the outcome of the reconsideration. The request must be received within six months from the date of notification of the outcome of the reconsideration, or the original claim where no reconsideration has taken place. The Tribunal is totally independent from Veterans UK and their decisions are legally binding on both the appellant and Veterans UK. The Tribunal is bound by the rules of the scheme.

21. Outcomes:

- Awarded: Injury/illness accepted as due to Service AND falls under one of the tariff levels (1-15).
- Rejected: Injury/illness not accepted as due to Service OR is accepted as due to Service but does not meet the minimum tariff level (15).
- New: The outcome was previously rejected but awarded on reconsideration/appeal.
- Increased: The tariff level previously reached is made higher on reconsideration/appeal.
- Maintained: The outcome previously reached is the same as the outcome reached on reconsideration/appeal.
- Reduced: The tariff level previously reached is made lower on reconsideration/appeal.
- Favourable Reconsideration: When a claimant has initiated an appeal before reconsideration has taken place, the reconsideration will be conducted before notification to the Pension Appeal Tribunal. If the reconsideration is in the claimants favour then the claimant can withdraw their appeal.
- Disallowed Late appeal: Applications to appeal must be received by Veterans UK within 6 months of the last date of notification. E.g. Date of notification of an original claim or reconsideration.

Report Development

Clearance Times

22. Clearance times analysis has been incorporated into these statistics following a high burden of requests for information from external users, including the media and the House of Commons Defence Committee (HCDC), wanting to obtain estimates of how long an individual may expect to wait for their claim outcome once submitted to Veterans UK.

23. The increase in interest in clearance times in more recent years is primarily driven by the Armed Forces Covenant, published in May 2011, which sets out the moral obligation of the nation to its members of the armed forces and their families. Therefore there is considerable public interest in the length of time injured (ex-)serving personnel and their dependants are waiting for financial compensation for service-related injury or death.

Armed Forces Independence Payment

- 24. On 8 April 2013 the Ministry of Defence (MOD), in conjunction with the Department for Work and Pensions (DWP), introduced a new benefit called the <u>Armed Forces Independence 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.
- 25. Service personnel and veterans automatically considered eligible for receipt of the AFIP are those that are awarded a GIP at 50% or above. Further information on AFIP can be found on the Veterans UK website: https://www.gov.uk/government/organisations/veterans-uk.
- 26. These statistics, published on 3 December 2015, present for the first time the number of eligible Service personnel and Veterans in receipt of the AFIP as at 30 September 2015. This information has been sourced directly from Veterans UK since data on the AFIP are not currently held on the CAPS.

Financial Spend

27. These statistics, published on 3 December 2015, present for the first time the financial amounts paid out in compensation in the form of lump sum payments, guaranteed income payments (GIP) and survivors guaranteed income payments (SGIP). This information has been provided by the veterans UK finance team.

Methodology

Data Sources

- 28. Most of the information presented within this Statistical Bulletin is sourced from AFCS data held on the Compensation and Pension System (CAPS) which is managed by Veterans UK, responsible for administering the scheme.
- 29. Defence Statistics also receive quarterly datasets from the Veterans UK finance team which are used to report on recipients of Guaranteed Income Payments. Information on the overall financial amounts paid out under the AFCS is also sourced from the Finance Team.
- 30. Information on those in receipt of the Armed Forces Independence Payment (AFIP) is recorded by Veterans UK in a standalone spreadsheet. This data has been used to provide the number of individuals in receipt of AFIP.
- 31. 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).

Process

32. The raw data extracts include non-genuine AFCS claims ('spanning', 'treat as never made' cases) which are removed by Defence Statistics prior to analysis. 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. Between 6 April 2005 and 30 September 2015 there have been 11,930 spanning cases included within the Veterans UK workload but which are not reflected within these statistics. 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.

- 33. Following the removal of non-genuine AFCS claims, Defence Statistics conduct a series of consistency checks on the data. For example, the numbers of records received is compared to the previous extract to ensure the total number is as expected. If any data quality issues are evident following receipt of data, Defence Statistics liaise with Veterans UK to determine whether any investigation is required.
- 34. The CAPS data are processed through a series of automated programming in a MYSQL database that produces a series of summary tables on AFCS claims and awards that are then used to populate final tables within the report. The tables within the report present information on claims and awards over the length of the scheme by financial year, as well as by quarter (for the latest five quarters). This enables both long-term comparisons (by financial year) and short-term comparisons (by quarter) to be made.
- 35. Since information on clearance times is a recent addition to the report, this information is produced manually (outside of the automated process). All closed genuine AFCS claims (claims with a 'cleared date' recorded on CAPS) were identified, and working days (to exclude weekends and bank holidays) between each claim being registered and cleared were calculated. Due to variations in the time taken to process each type of AFCS claim, average clearance times were calculated separately for each claim type: Injury/illness claims, survivors' claims, reconsiderations and appeals.
- 36. 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 are 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.
- 37. The median has been presented in these statistics as it better reflects the average typical experience for the individual making a claim. The accompanying Excel tables to this publication (available at https://www.gov.uk/government/collections/armed-forces-compensation-scheme-statistics-index) also present the mean average. The mean average has also been presented as it is used internally as a measure of performance on the management of cases.
- 38. Survival analysis has been used to investigate further the length of time between a claim being registered and cleared. This analysis has been carried out for each claim type: injury/illness claims, survivors claims, reconsideration and appeals.

- 39. Survival analysis is a statistical methodology designed to identify if two or more populations show differences in the rate of a "failure" event over time, and to predict the probability that a failure will or will not have occurred after a set period of time. The analysis takes account of open claims as well as cleared claims and is used to predict the probability that a claim will have been cleared by a certain point in time.
- 40. In the context of this report "Survival" does not refer to a death, but to the length of time taken for a claim to be cleared by Veterans UK. A "failure" will occur when a claim is cleared by Veterans UK, i.e. a decision is made on the outcome of the claim.
- 41. In order to provide specific figures for those who previously deployed on Op TELIC (Iraq) and Op HERRICK / Op VERITAS (Afghanistan), Defence Statistics' deployment data have been linked to AFCS data held on the CAPS. Prior to the introduction of JPA in April 2007, dates in and out of theatre are unreliable and therefore it is only possible to identify that a Service person has deployed and not when they deployed / returned from Operations. There are 445 awards linked to a deployment to Iraq and 80 awards linked to a deployment to Afghanistan where it is not possible to determine the specific date of deployment. Therefore there is a chance that some records are included in the figures where the deployment did not occur before the claim was registered.
- 42. Please note that person level deployment data for Afghanistan was not available between 1 January 2003 and 14 October 2005. Therefore, it is possible that some UK Armed Forces personnel who were deployed to Afghanistan during this period have not been identified in the figures provided.
- 43. Please note that **it is not possible to attribute injuries/illnesses to a specific deployment**. Therefore some of the individuals included in the figures provided may have claimed compensation for an injury/illness that did not occur during their deployment.
- 44. Data on those in receipt of the Armed Forces Independence Payment (AFIP) are sourced directly from Veterans UK. Defence Statistics carry out checks on the AFIP spreadsheet and ensure that only records for the relevant reporting period are included in the figure provided. AFIP records are also cross checked with AFCS claims data on CAPS to carry out validation checks.
- 45. Further validation checks are carried out after the data has been processed to ensure that all processes and queries have run correctly and the final numbers are an accurate reflection of data received from Veterans UK. Manual checks are then carried out on the final report to ensure that figures quoted in the commentary reflect those in the tables, and that the numbers sum to the totals provided.
- 46. The statistics are subject to routine revisions as CAPS is a live data system and historic data is amended between data extracts. These figures can be identified by a revision marker ('r'). Due to ongoing data validation, some figures reported in the publication are marked provisional ('p') and may be subject to change in future releases.

2. Relevance

Coverage

47. The data presented include all regular and reservist personnel who have claimed for compensation under the AFCS between 6 April 2005 and 30 September 2015. Individuals are

- eligible to claim under the AFCS for any injury/illness/death caused by Service on or after 6 April 2005.
- 48. Although the figures presented cover 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. This is because 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.
- 49. The figures presented on awards under the AFCS are based on awards made as a result of initial injury/illness claims only. Due to the complexities of the data held on claim outcomes at each stage of the claim process, it is not currently possible to follow through any claims that have reached the reconsideration/appeal stage. Therefore figures reported on AFCS awards (Tables 2-3 and 7-13 in ANNEX A) currently present only the outcomes of initial injury / illness claims and not the final outcome of each case.
- 50. Please note that some information on the outcomes of appeals made under the AFCS is not recorded on CAPS and is therefore not presented in this report. Veterans UK record all registered appeals on CAPS. However only outcomes at the first stage of the appeal process (First Tier Tribunal) are recorded on CAPS. Information on appeals that progress to further stages (e.g. Upper Tier Tribunal) are dealt with offline. Defence Statistics is planning to work with Veterans UK to investigate how final appeal outcomes are captured in order to improve the information presented in the future.
- 51. Veterans UK have migrated data from their interim system onto the CAPS. The interim system contains claims registered under the AFCS at the start of the scheme between 6 April 2005 and 31 October 2005. Please note that Veterans UK have only migrated successful interim system claims to the CAPS and therefore interim system claims that were rejected or withdrawn are not included in the publication tables. For information, there were 115 injury claims and 25 survivors' claims rejected as recorded on the interim system.
- 52. In line with Defence Statistics' Rounding Policy, all figures of five or more presented in this publication have been rounded to the nearest 5, and figures fewer than five have been masked as '~', totals may not add due to rounding. Percentages have been rounded to the nearest 1%. Move?
- 53. In a given table, numbers of people for each financial year or quarter may not sum to the total number of people. This is because one person can make more than one claim spanning different quarters or financial years, but would only be counted once in the overall total.

User Needs

- 54. These statistics have been provided in response to an increasing number of requests for information about claims and awards under the scheme, including the number of individuals currently in receipt of compensation payments under the scheme and time taken for a claim to be cleared.
- 55. A range of information is requested including further details of claims and awards (e.g. by claim type or outcome) and further information on those awarded compensation (e.g. age and Service at time of award). Requests are also frequently made for information on AFCS awards made to specific sub-groups of people e.g. those who have been injured/deployed in Afghanistan, those who have been medically discharged for a specific condition, or those

- living in a particular area of the country. Defence Statistics are often able to link to other sources of data to provide this additional information.
- 56. In 2012 and 2013 Defence Statistics carried out an internal and an external consultation to review the War Pension Scheme (WPS) National Statistic and the Armed Forces Compensation Scheme (AFCS) Official Statistic to ensure they are coherent and continue to meet users' needs. The consultations were prompted by the UK Statistics Authority Assessment Report 197: Statistics on Defence Health, which required a review of the content of the publications in consultation with users.
- 57. Following the consultations the majority of the recommendations were implemented. Recommendations included presenting numbers in terms of people as well as the number of claims and presenting information on numbers awarded who have been deployed.
- 58. Further additions have been made to these statistics during 2015 following public interest (in the form of Freedom of Information requests) and requests for information submitted by the House of Commons Defence Committee. Specifically, information on clearance times, recipients of AFIP and total financial spend is now presented to meet user need.

3. Accuracy

- 59. Veterans UK are responsible for ensuring the quality of Compensation and Pension System (CAPS) data supplied to Defence Statistics. The CAPS is a large administrative database and is subject to the data quality issues of any large administrative system with data collated by a large number of staff for operational delivery purposes.
- 60. The main sources of potential error in the AFCS statistics are as follows:
 - Incomplete data extracts from Veterans UK
 - Data processing errors resulting in incorrect data outputs
 - Manual error during production of report tables, graphs and commentary
- 61. To ensure that potential errors are identified and resolved, Defence Statistics implement a series of data quality checks throughout the report production. These checks involve close liaison with Veterans UK when required, to ensure the accuracy of the figures published. Where there is concern over the accuracy of data, Defence Statistics will publish the information as provisional (p).
- 62. Recent investigations into outcome data have led to some concern over the accuracy of outcome information recorded on the CAPS for some claims. The extent of this issue is currently unknown, though it is unlikely to impact on overall trends of cleared claim outcomes. Outcome information presented within this Statistical Bulletin and relevant tables in **ANNEX A** has been marked provisional (p) until investigations are complete and any incorrect records have been amended.
- 63. The number of registered reconsiderations during the first six months of 2015/16 (Table 1 Annex A) is lower than we would expect, based on the numbers registered in previous years. Defence Statistics are working with Veterans UK to investigate this and therefore the figure presented for 2015/16 is marked as provisional (p).
- 64. These statistics are subject to routine revisions as the CAPS is a live data system and historic data is amended between data extracts. These figures can be identified by a revision marker (r). Due to ongoing data validation, some figures reported in this publication are marked provisional (p) and may be subject to change in future releases.

- 65. Numbers of registered claims in the most recent financial year are subject to change since claims with no recorded outcome, at the time of the data extract, may go on to be recorded as 'treat as never made' cases, and thus will be removed from analysis when later publications are produced. Therefore 2014/15 figures are presented as provisional within this publication.
- 66. There are additional revisions in this Statistical Bulletin as a result of improvements to the methodology used to assign outcomes to injury/illness claims. In previous AFCS Statistical Bulletins, claims accepted as due to Service that fell below the minimum tariff level (resulting in no lump sum award) were presented as rejected claims. In this Statistical Bulletin (**Tables 2** and **3**, **Annex A**) these cases have been presented separately to provide a more accurate representation of claims that have been rejected (and thus considered to not be attributable to Service).

4. Timeliness and Punctuality

Timeliness

- 67. Data are provided to Defence Statistics on a monthly basis. From September 2008 to March 2011 figures were published on a quarterly basis. Following user consultation the frequency of publication was reduced from quarterly to biannual from June 2011.
- 68. Figures as at 31 March and 30 September are published in early June and December respectively. It takes four weeks to extract, validate and process data extracted from CAPS. It takes a further six weeks to compile and quality assure the report.

Punctuality

69. The National Statistics reports have all been published on time to meet pre-announced release dates. Future publication dates will also be announced on the Gov.UK at least one month in advance.

5. Accessibility and Clarity

Accessibility

- 70. The statistics can be accessed through the Gov.UK website at the following link: https://www.gov.uk/government/collections/armed-forces-compensation-scheme-statistics-index.
- 71. 24 hour pre-release access to the report is available to a limited distribution list within MOD. The full list can be found in the pre-release access list available on the Gov.UK website: https://www.gov.uk/government/statistics/defence-statistics-pre-release-access-list.

Clarity

- 72. Users with an interest in the key findings can read a short summary of main messages within the Introduction of the report. The report is then split into six distinct sections to help users navigate their way through the publication.
- 73. Microsoft Excel versions of all AFCS report tables are also available on the Gov.UK website alongside each published report.

6. Coherence and Comparability

Coherence

74. The War Pensions Scheme was replaced by the Armed Forces Compensation Scheme in 6 April 2005. Although there are differences between the way the two schemes are structured, where possible, Defence Statistics attempt to keep summary tables consistent between the two publications to enable comparisons between the schemes.

Comparability Over Time

- 75. Trends over time are presented since the scheme began from 6 April 2005, with some tables also presenting trends over time for the latest five quarters.
- 76. Trends over time are particularly relevant as the War Pension Scheme was replaced by the Armed Forces Compensation Scheme from 6 April 2005.
- 77. Since the start of the scheme, the number of injury/illness claims registered has continued to increase steadily year on year. In the first year of the scheme, 2005/06, a total of 330 injury claims were registered, compared to 9,505 in the latest full financial year, 2014/15. The increasing numbers of claims are due to a raised awareness of the scheme, as well as larger numbers who are eligible to claim, i.e. Service related injury/illness with an incident/onset date on or after 6 April 2005. The numbers are also likely to reflect the numbers of personnel injured as a result of Operations in Afghanistan.
- 78. Defence Statistics ensure that any changes in data sources or corrections to data are clearly shown in report tables and graphs. Where appropriate, historic trend information is corrected and provided in the accompanying excel tables.

7. Trade-offs between output quality components

79. Defence Statistics minimise the cost to Government of producing these statistics through using data already collated for operational delivery purposes within the MOD's administrative system. As a large administrative system, data quality across fields is of varying quality and completeness and this limits the information available to customers in our statistics and requests for information.

8. Assessment of User Needs and Perceptions

- 80. In reference to the UK Statistics Authority report, The Use Made of Official Statistics, the AFCS statistics are used by:
 - (i) Government Policy Making
 - (ii) Government Policy Monitoring
 - (iii) Local Government Service Delivery
 - (iv) Academia Facilitating Research
 - (v) Charities Service Delivery

Description of Users and Usage of Statistics

81. The AFCS statistics have been published in response to user demand. Interest has come from internal MOD policy makers, Parliament, Government Departments, the third Sector, academics, the media, and the general public.

- 82. The AFCS statistics are used by the following groups of customers:
 - AFCS policy teams use these statistical publications as a basis for policy making. Veterans UK use these figures for background information and for planning purposes e.g. estimating the volume/workload for different types of claims. These statistics allowed Veterans UK to forecast the financial implications of proposed changes to the AFCS as part of the 2010 AFCS Review.
 - External organisations such as Clinical Commissioning Groups (CCGs), local Government and Armed Forces charities (e.g. RBL) use the reports and location figures as part of estimating and planning veteran casework provision e.g. to assess the numbers and needs of Service personnel and veterans in their local area.
 - AFCS statistics are also used by the media to give context to reports on Armed Forces Compensation.
- 83. The publication of the statistics also plays an important part in ensuring the Department's accountability to the British public.
- 84. AFCS questions from outside the MOD (e.g. FOI requests) tend to ask for more detailed information on the data provided e.g. age, Service, location breakdowns. Defence Statistics receive a high volume of requests asking for information on compensation paid out for particular conditions, and also for information on the financial amounts paid out in compensation to particular subsets of individuals. Defence Statistics also receive a high volume of requests from external organisations e.g. NHS Clinical Commissioning Groups and charities, who use breakdowns by detailed location for estimating the number of veterans in particular regions of the UK.
- 85. Following the MOD's launch of the Armed Forces Community Covenant in June 2011, Defence Statistics received an increasing volume of requests from within the MOD, local Government departments and CCGs for information on the number of veterans by location. This was required to assist with planning for the needs of Service personnel and veterans in each specific area of the UK.
- 86. To meet these requirements Defence Statistics compiled information on the numbers of Armed Forces Pension Scheme (AFPS), War Pension Scheme (WPS) and Armed Forces Compensation Scheme (AFCS) recipients with summaries by location. This was initially published in November 2011 and the latest update was published in July 2015 (as at March 2015). The latest figures can be found on the Gov.UK website: https://www.gov.uk/government/statistics/location-of-armed-forces-pension-and-compensation-recipients.

Strengths and Weakness in Relation to User Needs

- 87. Users external to the MOD are encouraged to give feedback via email (<u>DefStrat-Stat-Health-PQFOI@mod.uk</u>).
- 88. Defence Statistics has carried out consultations to review the War Pension Scheme (WPS) National Statistic and the Armed Forces Compensation Scheme (AFCS) Official Statistic to ensure they are coherent and continue to meet users' needs. The consultations were prompted by the UK Statistics Authority Assessment Report 197: Statistics on Defence Health, which required a review of the content of the publications in consultation with users. (paragraph 26)
- 89. A consultation was carried out with internal stakeholders in September 2012. Based on the feedback received during the internal consultation, an external consultation was run

- alongside the release of the AFCS Official Statistic on 6 December 2012. This gave an opportunity for external customers to give feedback on the proposed changes to the AFCS and WPS publications.
- 90. During 2014/15, the Armed Forces Compensation Scheme Official Statistic averaged approximately 145 hits per month on the Defence Statistics external website.
- 91. 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.
- 92. The key weakness is that Defence Statistics have to rely on the level of detail that Veterans UK manually enter for each claim. There are also 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.

9. Performance cost and respondent burden

Operational Cost

- 93. The production of AFCS statistics has required 0.58 FTE in 2014/15. This was broken down into the following:
 - Time taken per year to produce bi-annual AFCS national statistic (including report development) - 36 days
 - Time taken to respond to requests for information (45 received in 2014/15) 90 days
 - General correspondence with Veterans UK and policy areas (7 days)
- 94. The AFCS report uses an administrative data source which is already collected by the MOD. Therefore, the main operational cost to production of the statistics is liaison with Veterans UK, for quality assurance and data interpretation.

10. Confidentiality, Transparency and Security

- 95. Defence Statistics have data access agreements with Veterans UK with respect to obtaining the AFCS data extracts. All Defence Statistics staff involved in the production have signed a declaration that they have completed the Government wide Responsible for Information: General User training and they understand their responsibilities under the Data Protection Act and the Official Statistics Code of Practice.
- 96. Defence Statistics also adhere to the Defence Statistics Rounding Policy. Defence Statistics ensure that the AFCS data is kept confidential by holding this data on a secure server. Only individuals who work on the reports have access to the data. In presenting WPS and AFCS information, Defence Statistics provide as much detail as possible, whilst maintaining the medical confidentiality considerations of serving and ex-serving UK Armed Forces personnel.