

MP calls for inquiry into war pension claims process

DB & Derisking

Scottish National party MP Owen Thompson tabled the War Pension Scheme and Armed Forces Compensation Scheme (public inquiry) bill on June 22, with its second reading due to take place in September.

The war pension exists to compensate veterans who sustained physical or mental injury in the armed services, but a spokesperson for Thompson told Pensions Expert that the MP had heard stories from veterans themselves that suggest the system is failing them.

Thompson has been campaigning on this issue for some time. In January, he filed an early-day motion alleging that failings by the War Pension Scheme and the Armed Forces Compensation Scheme render the current claims process “not fit for purpose”.

He argued at the time that the process “drives many veterans to give up on claims, severely deteriorates many veterans’ mental health, drives many into poverty, and increases the risk of suicides”.

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Owen Thompson MP

The early-day motion contended that the system is too complex, lacks transparency, and results “in too many veterans not getting the level of payment they need and then facing complex processes in order to get an increase”.

Claims process presents ‘a bleak picture’

In March, Thompson led a backbench business debate on the same question that resulted in expressions of support from across the House of Commons.

He pointed to a recent customer satisfaction survey from Veterans UK, which administers the claims process, to which only 36 per cent of respondents expressed any level of satisfaction, while 32 per cent gave the war pension the lowest possible rating.

He said things were worse for the Armed Forces Compensation Scheme, pointing to figures showing that just 13 per cent had expressed “any sort of positive rating above five”, while half of veterans rated their level of satisfaction at one, “which again was the lowest possible option”.

Thompson contended in the debate that the system seemed designed to reject claims, with figures showing that, since April 2009, 32 per cent of the 107,000 claims cleared at the initial review under the War Pension Scheme had been declined, while only 59 per cent received a financial award at the end of the process.

“Of the 94,000 Armed Forces Compensation Scheme claims, 31 per cent have failed at the initial stage, and 74 per cent of appeals have been rejected,” he said.

“Only 57 per cent of claims have resulted in a financial award. The fact that a third of claims fall at the first hurdle and only a minority make it through the appeals process paints a bleak picture of claimants’ chances.”

He continued: “Returning from the unimaginable conditions of war, physical and mental trauma leaves many feeling vulnerable, isolated and financially unstable. [Post-traumatic stress disorder] is rife, and the risk of self-harm and suicide can be high.

“Subjecting this community to complex, lengthy and demeaning processes to claim the money they need to support themselves does nothing but

exacerbate mental health problems. They are forced to relive trauma and put their mental health on the line.”

Thompson argued for a number of reforms to schemes, such as reducing target times for payments and to deal with a backlog of claims, but he added that “without an independent inquiry to lay the foundations of a new approach, the [Ministry of Defence] risks tinkering around the edges”.

“I appreciate that not all these issues can be fixed with the wave of a magic wand — I do not think anyone would expect that,” he said.

“Reforming the treatment of veterans will be a long process. But that could start now with an inquiry, simply to recognise what has gone wrong, learn from the mistakes, and understand how we can do better.”

Government seeking improvements

Responding, minister for defence people Leo Docherty said he did “not concur with [Thompson’s] overwhelmingly damning indictment of the system as it stands, but it is important that we are always seeking improvement”.

“We are seeking improvement first in the speed of a claim, but also in customer service. However, I reiterate that this is not about saving money,” he said.

Docherty suggested that, “of the 106,000 awards, 154 complaints were received, so that is a 0.1 per cent failure rate”.

He acknowledged the need to improve the schemes, many of the problems of which stem from the fact that staff “are working with an antiquated system of paper records from many different sources of information that they have to bring together”.

“The Armed Forces Compensation Scheme now has an average target time to

resolve cases of 90 days, which is being met, and the War Pensions Scheme has an average target time of 127 days, which is falling short, but that is because they are trying to get rid of the backlog, which we all seek to clear,” he said.

Thompson submitted a written question in April about progress following the debate, and Docherty replied that “there are no plans for an inquiry into the process for war pensions or armed forces compensation payments”.

“The existing process remains effective, fit for purpose, and functioning satisfactorily,” the minister said.

“Where issues are identified, the Ministry of Defence is committed to addressing these and remedial action is taken swiftly to ensure the process remains as efficient, transparent and empathic as possible.”

MoD to reinstate Armed Forces Scheme member after scam transfer

The Ministry of Defence will have to reinstate a former member to the Armed Forces Pension Scheme and pay him £2,000 for severe distress and inconvenience, after wrongly allowing him to transfer to the Capita Oak Pension Scheme, a scam that invested in storage pods.

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