

# NOTES ACCOMPANYING TALK BY MATTHEW WHITE ON OGDEN-8, 8/9/20<sup>1</sup>

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The following includes a reasonable amount of computer/ Excel “how to” as well as guidance on using the Ogden tables. All computers look a little different, and Excel might appear differently for you depending on which version you have and how you have it set up. You might need to do a little playing around to find commands. The below shows use of the current Microsoft Office 365 version of Excel for PC.

## **How to save the additional tables as an Excel template**

- 1) Open <https://www.gov.uk/government/publications/ogden-tables-actuarial-compensation-tables-for-injury-and-death>.<sup>2</sup>
- 2) Choose the additional tables:



[Actuarial tables for use in personal injury and fatal accident cases – 8th edition: Additional Tables \(Excel\)](#)

MS Excel Spreadsheet, 417KB

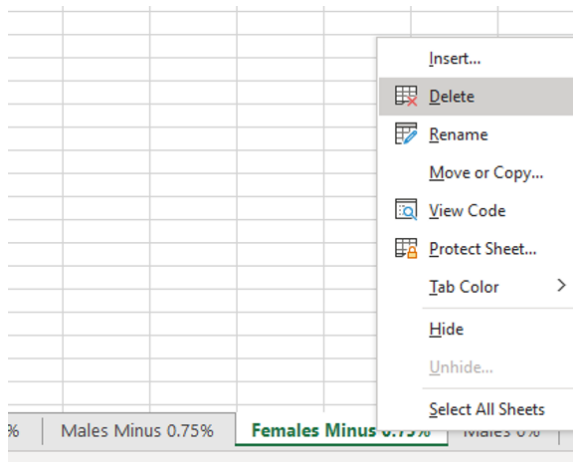
This file may not be suitable for users of assistive technology. [Request an accessible format.](#)

- 3) You will probably then need to open the file by clicking the link that will appear at the bottom left of your screen.
- 4) Since I do not litigate in Scotland I would take out the -0.75% tables from my spreadsheet: you will not use them in England or Wales. To do that,
  - a) Click “enable editing” at the top.
  - b) One at a time, right click the sheets “Males minus 0.75%” and “Females minus 0.75%” at the bottom of the screen, and select “delete”.

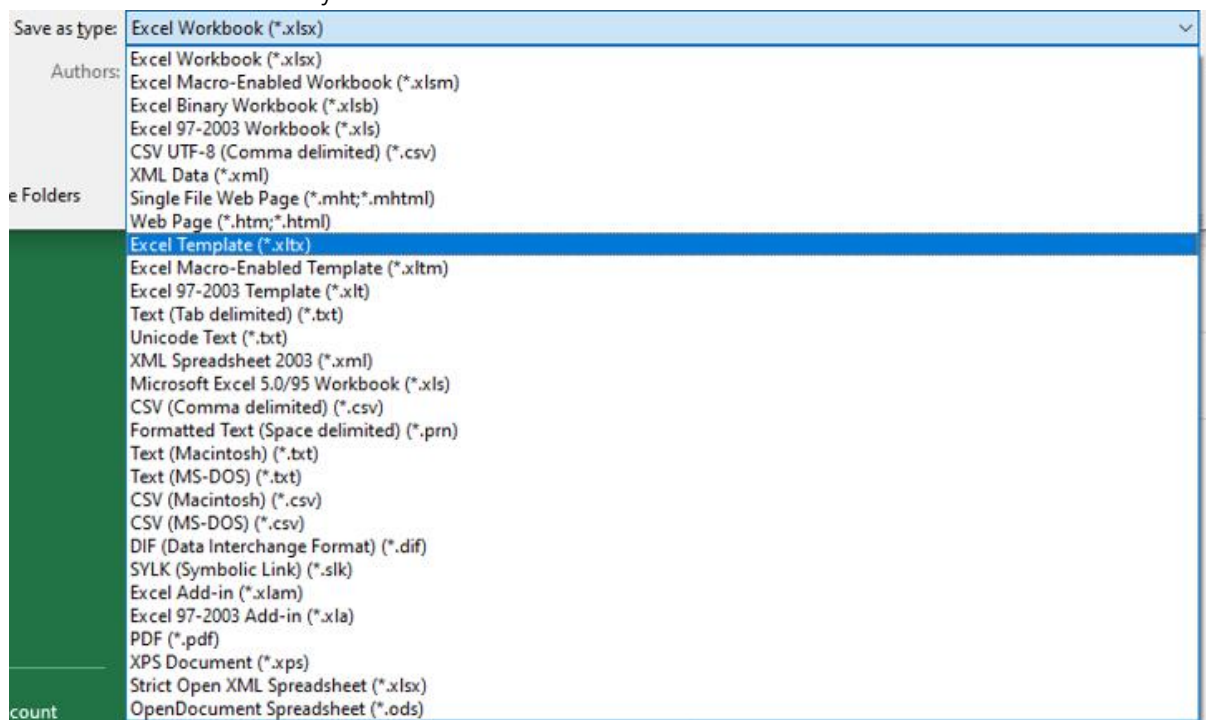
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<sup>1</sup> These notes are intended as an aide memoir to a lecture. They are not enough to enable you to draft a full and accurate schedule for any client. Each case requires careful thought and a careful approach to the multiplicands and multipliers based on the evidence. All that these notes do is introduce one way of using the additional tables to make your life easier in that process.

<sup>2</sup> If you are reading this on paper such that you can't click the hyperlink, don't bother typing the long link, just Google “Ogden 8”: the tables should appear in the first few hits.



- 5) Now save the spreadsheet as a template. Doing that means that when you open the sheet in future you will be forced to re-save it as something else so you don't muck up the original additional tables data for next time<sup>3</sup>. Choose file/ save as/ Browse
- 6) Put in the file name that you want and **CHOOSE TO SAVE AS EXCEL TEMPLATE**.

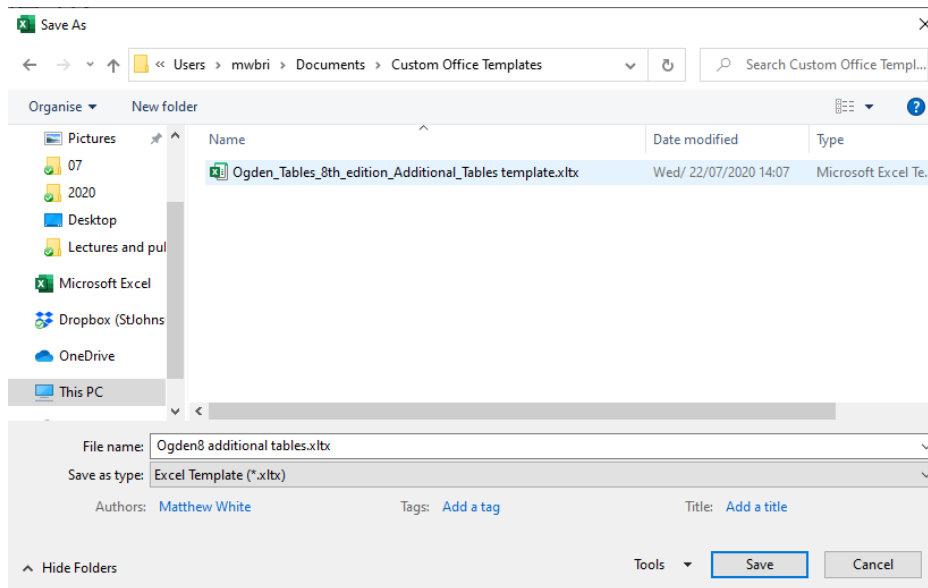


- 7) Save this template where you will find it. If you are used to using custom templates, leave it in the default place. Otherwise I suggest saving it to your desktop where you are unlikely to lose it.

Saving to the default location would look like this:

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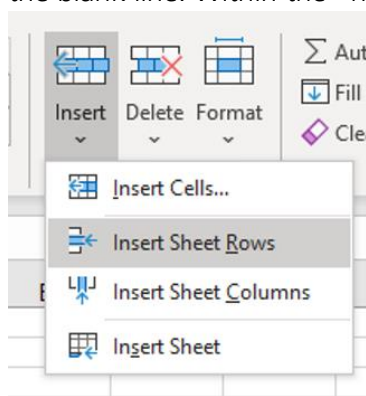
<sup>3</sup> I'm no IT expert. I haven't worked out how to make an Excel template open with no name at all so that you are forced to save it with client name (or whatever). This is the closest approximation that I can get.



If you prefer to save on the desktop, simply click “Desktop” to the left of the screen to save there. It will then appear as an icon on the main screen when you turn on your computer.

### **How to create a bespoke table of multipliers for a client of any age**

- 1) Calculate the precise age at date of calculation, i.e. calculate the number of years, months and days from birth to the date from which the calculation is being run<sup>4</sup>. See too point 6 below.
- 2) Open the additional tables spreadsheet template.
- 3) Before you do anything else, save your template where you will be able to find it with a new name (such as client name).
- 4) Open the “males” or “females” table at the appropriate discount rate.
- 5) Create a blank line between client’s last age at last birthday and age at next birthday (as of date of calculation). Select any cell in the line *below* where you want to add the blank line. Within the “home” tab, click insert/ insert sheet rows.



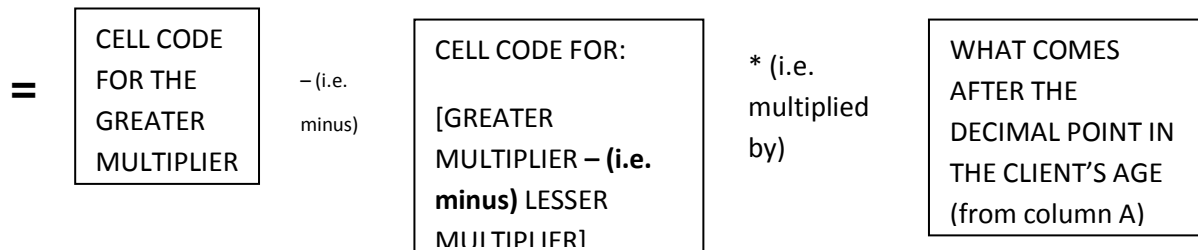
<sup>4</sup> There are a number of ways to do this: I think that the best are the long-hand (finger counting!) method, or use an online calculator.

There are 2 common mistakes that you might make at this point, and I mention them because you must avoid them both:

- a) You must insert your blank row between the claimant's age at last birthday and age at next birthday. The claimant's age is in column A. **Do not confuse the age (column A) with the row numbers: they are not the same. For example, the data for a 25 year old is in row 31.**
  - b) You must insert a whole blank **row**, not just a cell.
- 6) I find that it helps to highlight that line (in which you will be working). Click on the row number, and use this control in the "home" tab:



- 7) Put client's age at date of calculation into that line in column A. My preferred approach is to get Excel to do the work for you by putting in client's age as years+months+days (e.g. for someone who is 25 years, 4 months and 19 days old, use the formula =25+4/12+19/365).
- 8) Scroll across to the first cell where there is a multiplier both above and below your blank row. At current discount rates the multiplier *above* is likely to be 2.00 or thereabouts, and the multiplier below is likely to be 1.00 or thereabouts<sup>5</sup>.
- 9) **Now for the trick.** In the blank cell to which you have navigated (which probably has 2.00 above it and 1.00 below it), you need to use this formula:



- 10) Notice the equals sign at the beginning of the above. Notice too that Excel uses "\*" to multiply.
- 11) There is a worked example below, but to aid understanding at this stage, an example might be:  

=y28-(y28-y30)\*0.638
- 12) Copy that formula across to all of the cells to the right in your blank line. I find that the easiest way to do that is to select the cell into which you wrote the formula, click Ctrl+C to copy, then highlight all of the other blank cells and click Ctrl+V to paste... it is the formula that is pasted<sup>6</sup>.
- 13) You now have bespoke multipliers for your client from the age that you created to any whole age. If you wanted to create a multiplier to an age between integers, you could do so by inserting a blank column between the whole integers on either side of the age that you want to calculate to and following a similar process to the above. It is rare to need to do that, so I'm not setting out detail.

<sup>5</sup> This becomes less true the older the client.

<sup>6</sup> Pro tip: as an alternative, highlight the cell with the formula in and all cells to its right and click Ctrl+R to copy the formula to the right.

## WORKED EXAMPLE

This talk is about the Ogden tables. I am focussing in particular on the use of the additional tables because they will be new to you (and they are fantastically useful). For that reason I am cutting out a lot of detail to keep things simple. The most obvious point is that I am creating multipliers, unadjusted for contingencies other than mortality. You need to adjust the multipliers for contingencies other than mortality in the usual way.

Suppose that the claimant is a woman born on 5/5/79. She worked as Sales Manager for a technology company on a salary of £50,000 net (including benefits, to keep things simple)<sup>7</sup>. She was expected to remain on that salary until age 60 when she would have been promoted<sup>8</sup> to Director, on a salary of £70,000 net (including benefits), on which she expected to remain until retirement at age 67. She was injured on 31/10/19. She received full pay and benefits for 3 months, then received no pay or benefits. Trial is expected to conclude on 17/9/21<sup>9</sup>. The basis of calculation is that the claimant is not expected to work at all until age 50. She is then expected to find work paying £15,000/year net until she is 60, when she will have to stop work.

In this simple example you can see that you can split periods as follows for lost earnings:

- Past loss is 1/2/20 to 17/9/21. That is straightforward and does not require use of the Ogden tables.

Future loss of earnings is divided into periods:

- 17/9/21 (trial) to age 50 (i.e. the period of no work).
- Age 50 to age 60 (i.e. the period of partial loss).
- Age 60 to 67 (another period of full loss).

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<sup>7</sup> One of the main benefits of almost all employments is the pension. The purpose of this talk and notes is looking at *multipliers*, so rather than digressing into how to calculate a multiplicand, I simply include a shameless plug for my new book: *A PIBA Guide to Pension Loss Calculation* (Rowley QC & White, 2020), available from <https://tinyurl.com/pensionloss>. You can see the first part of the book here: <https://tinyurl.com/pensionfirstpages> if you want to whet your appetite.

<sup>8</sup> I am using a 100% chance because this talk is about multipliers, not multiplicands. A good schedule, counter-schedule and judgment would usually assess chance, although using a career model approach of no promotion to a given age then a certainty of promotion, as a way of approximating loss, is fine: again, a topic for another talk.

<sup>9</sup> Purists can legitimately take issue with running a calculation from the last day of trial both because (a) you are calculating past loss to a date in the future; and (b) last day of trial is not when any damages would be paid anyway. Everyone has their own way of doing this. I am picking a simple date for present purposes.

Claimant's age at trial is the period from 5/5/79 to 17/9/21: 42 years<sup>10</sup> + 4 months<sup>11</sup> + 12 days<sup>12</sup>. Our spreadsheet can easily calculate that precisely for us. Insert the blank line as explained above and use the formula as shown (42+4/12+12/365).

	A	B	C	D	E	F	G	H	I
1	Multiplier from age at trial (row) to age (column), discount rate						-0.25%	Females	
2									
3	Age at								
4	date of								
5	trial	1	2	3	4	5	6	7	
48	42								
49	42.3662								
50	43								
51	44								
52	45								
53	46								

You will see that Excel shows the calculation result as 42.3662. If I made column A wider I would get more and more decimal places. I don't want them. Indeed because I want to use a multiplier for a servable schedule, I will round to 2 decimal places, so I will type in 42.37 by hand.

Scrolling across the sheet you can see that the cell in which we are going to work out our formula is cell AS49.

	A	AR	AS	AT	AU
1	Multiplier fr				
2					
3	Age at				
4	date of				
5	trial	43	44	45	46
45	39	4.01	5.02	6.03	7.04
46	40	3.01	4.01	5.02	6.03
47	41	2.00	3.01	4.01	5.02
48	42	1.00	2.00	3.01	4.01
49	42.37				
50	43		1.00	2.00	3.01
51	44			1.00	2.00
52	45				1.00
53	46				

<sup>10</sup> 2021 minus 1979

<sup>11</sup> May to September

<sup>12</sup> 17 – 5

Into that cell we will put the formula (explained above):

$$=AS48-(AS48-AS50)*0.37$$

Doing that gives this result:

	A	AR	AS	AT	AU
1	Multiplier fr				
2					
3	Age at				
4	date of				
5	trial	43	44	45	46
45	39	4.01	5.02	6.03	7.04
46	40	3.01	4.01	5.02	6.03
47	41	2.00	3.01	4.01	5.02
48	42	1.00	2.00	3.01	4.01
49	42.37		1.63		
50	43		1.00	2.00	3.01
51	44			1.00	2.00
52	45				1.00

Now, a **vital step: the reality check**. At this point you must check that the figure that you have calculated makes sense. If it does not, you will need to find and fix the error. Here we know that client is nearer to age 42 than she is to 43. Accordingly our newly calculated multiplier ought to be nearer to 2.00 than to 1.00. We can be a little more precise (just checking in your head)... client is about 1/3 of the way from 42 to 43, and 1.63 is about 1/3 of the way from 2.00 to 1.00, so we pass the reality check.

Copy the formula from cell AS49 to all of the cells to its right as explained above.

The hard work is done. It is now a simple question of reading off the multipliers that we need, with minimal maths required. As a reminder, they were:

- 17/9/21 (trial) to age 50 (i.e. the period of no work).
- Age 50 to age 60 (i.e. the period of partial loss).
- Age 60 to 67 (another period of full loss).

For the first of those periods (trial to age 50), we can see that the multiplier (unadjusted for contingencies other than mortality – don't forget that step in a schedule or counter-schedule) is 7.67 (highlighted green below in cell AY49).

	A	AQ	AR	AS	AT	AU	AV	AW	AX	AY	AZ	BA
1	Multiplier fr											
2												
3	Age at											
4	date of											
5	trial	42	43	44	45	46	47	48	49	50	51	52
45	39	3.01	4.01	5.02	6.03	7.04	8.05	9.06	10.08	11.09	12.11	13.12
46	40	2.00	3.01	4.01	5.02	6.03	7.04	8.05	9.06	10.07	11.09	12.10
47	41	1.00	2.00	3.01	4.01	5.02	6.03	7.04	8.05	9.06	10.07	11.08
48	42		1.00	2.00	3.01	4.01	5.02	6.02	7.03	8.04	9.05	10.06
49	42.37			1.63	2.64	3.64	4.65	5.65	6.66	7.67	8.68	9.69
50	43			1.00	2.00	3.01	4.01	5.02	6.02	7.03	8.04	9.05

We can also see that the multiplier from trial to age 60 is 17.77 (shown in blue below).

	A	AX	AY	AZ	BA	BB	BC	BD	BE	BF	BG	BH	BI	BJ	BK
1	Multiplier fr														
2															
3	Age at														
4	date of														
5	trial	49	50	51	52	53	54	55	56	57	58	59	60	61	
45	39	10.08	11.09	12.11	13.12	14.14	15.16	16.17	17.19	18.21	19.23	20.24	21.26	22.27	23.29
46	40	9.06	10.07	11.09	12.10	13.11	14.13	15.15	16.16	17.18	18.19	19.21	20.22	21.23	22.25
47	41	8.05	9.06	10.07	11.08	12.09	13.11	14.12	15.13	16.15	17.16	18.17	19.19	20.20	21.22
48	42	7.03	8.04	9.05	10.06	11.07	12.09	13.10	14.11	15.12	16.13	17.14	18.15	19.16	20.18
49	42.37	6.66	7.67	8.68	9.69	10.70	11.71	12.72	13.73	14.74	15.75	16.76	17.77	18.78	19.79
50	43	6.02	7.03	8.04	9.05	10.06	11.07	12.08	13.09	14.10	15.11	16.12	17.12	18.13	19.14

We don't need the multiplier from trial to age 60. Rather we need the period from age 50 to age 60, as at trial. Simple. It is 17.77 (i.e. multiplier to age 60) MINUS 7.67 (multiplier to age 50). I.e., the multiplier, as at trial, for the period between age 50 and 60 is  $17.77 - 7.67 = 10.1$ .

Again pause for a reality check: the multiplier for a period of 10 years is *slightly* above 10. That seems realistic given that the discount rate is a slight negative and the mortality risk at this age is modest.

To get the next period that we need (age 60 to 67) simply deduct the multiplier to age 60 from the multiplier to age 67 (orange minus blue as shown below):

	A	BH	BI	BJ	BK	BL	BM	BN	BO	BP	BQ
1	Multiplier fr										
2											
3	Age at										
4	date of										
5	trial	59	60	61	62	63	64	65	66	67	68
45	39	20.24	21.26	22.27	23.29	24.30	25.31	26.32	27.32	28.32	29.32
46	40	19.21	20.22	21.23	22.24	23.25	24.26	25.27	26.27	27.27	28.26
47	41	18.17	19.19	20.20	21.20	22.21	23.22	24.22	25.22	26.22	27.21
48	42	17.14	18.15	19.16	20.17	21.17	22.18	23.18	24.17	25.17	26.16
49	42.37	16.76	17.77	18.78	19.79	20.79	21.80	22.80	23.79	24.78	25.77
50	43	16.12	17.12	18.13	19.14	20.14	21.14	22.14	23.13	24.12	25.11
51	44	15.09	16.10	17.10	18.11	19.11	20.11	21.10	22.10	23.08	24.07

You get to 7.01.

So, having created our spreadsheet, we can tell virtually at a glance that multipliers for a woman aged 42.3662 at trial are as follows:

- To age 50: 7.67
- From age 50 to age 60: 10.1
- From age 60 to age 67: 7.01

If you wanted to, you could tot those figures up to get to the multiplier from trial to age 67, but why bother? We already know that the multiplier from trial to age 67 is 24.78 (orange above), which, you will notice, is  $7.67 + 10.1 + 7.01$ .

So, for those who can't bear it if I don't follow through on the maths, the future loss of earnings here would be (assuming a table C reduction factor of 0.88 throughout but for the accident, and assuming a table D reduction factor of 0.13 given the accident), with the unadjusted multipliers shown bold<sup>13</sup>:-

<sup>13</sup> That is, after all, what this part of the talk is about.



17/9/21 (trial) to age 50 (i.e. the period of no work):  
 BUT FOR ACCIDENT: £50,000 x 0.88 x **7.67** = £337,480  
 GIVEN ACCIDENT: Nil  
 LOSS: £337,480  
 Age 50 to age 60:  
 BUT FOR ACCIDENT: £50,000 x 0.88 x **10.1** = £444,400  
 GIVEN ACCIDENT: £15,000 x 0.13 x 10.1 = £19,695  
 LOSS: £427,705  
 Age 60 to 67:  
 BUT FOR ACCIDENT: £70,000 x 0.88 x **7.01** = £431,816  
 GIVEN ACCIDENT: Nil  
 LOSS: £431,816  
 TOTAL: £1,197,001

These additional tables are seriously useful. You can now split all multipliers (working life, pension loss, care period, full life) into as many parts as you want *very* easily once you have mastered the basics of fitting your client within the appropriate additional table.

### **A NOTE ON LIFE EXPECTANCY**

If you need the full life expectancy for a claimant (or partner or whoever) who does not have an impaired life, you need to use the 0% tables. Simply follow the process above to create a new line for client's exact age, then scroll across to the far right of the data in the spreadsheet with a 0% discount rate. The figure given as unadjusted multiplier to age 125 (column DV) is the full life expectancy.

Note that you are using the 0% table to calculate average life expectancy, not life multiplier (which is in column DV of the -0.25% tables given the current discount rate).

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1/9/20