



Brief to the Incoming Minister of Veterans' Affairs

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Veterans' Affairs New Zealand

Overview

Veterans' Affairs New Zealand (VANZ) is an operational unit of the New Zealand Defence Force (NZDF).

VANZ provides a wide range of government funded services to veterans, to ensure that they are able to access the services they need to support them in their everyday lives. The main areas of activity cover:

- Facilitating and coordinating the delivery of a range of services to individual veterans and their families, in recognition of the needs generated as a result of their service.
- The fair and accurate administration, management and processing of a range of statutory entitlements.
- Providing opportunities for veterans to have their service acknowledged so that they are recognised as special New Zealanders.
- Managing the Government's relationship with veterans and their representative organisations.
- Advising Government on veterans' issues.
- Advising departments and agencies on aspects of policy relating to veterans.

Outcomes

In order to ensure that Government's expectations for the delivery of services to veterans is met and to support the achievement of the key government priorities; VANZ has the following identified outcomes:

- Veterans are acknowledged and recognised for their service and sacrifice and the community is aware of the role veterans have played and continue to play in developing New Zealand as a nation.
- Working in partnership with the NZDF, the impacts of service on eligible veterans and their dependants are monitored and information is provided to them about access to services and support that promotes wellbeing.
- The veterans' perspective is considered as part of government decision-making on issues that impact on their lives.

Organisational Structure

General Manager and Secretary of War Pensions

VANZ as an operational unit of the NZDF, is headed by a General Manager who reports directly to the CDF. The General Manager is appointed to the statutory role of Secretary for War Pensions under Section 4 of the War Pensions Act 1954.

VANZ is in two locations at Wellington and Hamilton. The staff in Hamilton are the staff that transferred to VANZ from the Ministry of Social Development (MSD) as a result of the review undertaken in 2007/08.

Veterans' Affairs New Zealand's operation is divided into three areas. Each area is headed by a Manager.

Corporate

Policy and Planning

Responsible for Ministerial servicing and support, the development of public and operational policy and the coordination of corporate documentation.

Corporate

VANZ has a small corporate team that interfaces with the NZDF. VANZ uses the NZDF finance, information technology and personnel management and administration systems.

Commemorations

VANZ is responsible for planning the attendance by veterans at commemorations of significant military anniversaries in partnership with NZDF. VANZ is currently responsible for coordinating New Zealand's participation at the annual Anzac Day commemorations in Gallipoli, in collaboration with Australia and Turkey.

Services Cemeteries

Unlike many other countries, New Zealand has specifically designated services areas within public cemeteries, for the interment of veterans, irrespective of whether death was due to service or to natural causes. VANZ works in co-operation with Local Government to ensure that these areas are maintained in perpetuity. Ex-service memorials are provided at a subsidised rate

Deputy Secretary of War Pensions

The Deputy Secretary for War Pensions is appointed in accordance with Section 5 of the War Pensions Act and exercises the statutory responsibilities of the Secretary for War Pensions. This allows for the separation between the management of the decision making under the War Pensions Act 1954 and the management of VANZ as an entity. The Deputy Secretary exercises day to day control of the War Pension Claims Panels and the National Review Officer and the provision of support to the War Pensions Appeal Board.

Veterans Services

Services to veterans are delivered through a bio psychosocial case management model. Case managers assess needs and connect veterans and their families with a range of services within their own community. This approach to service delivery allows for a package of measures to be tailored to meet the diverse needs of the individual veterans at the various stages of their lives.

Appropriations

Appropriations for the 2011/2012 financial year are:

Departmental Expenses

- Policy and Administration. \$2.853 million This appropriation provides for the provision of policy advice, administrative services to relevant boards and committees, the coordination of commemorations and the administration associated with the maintenance and development of Services Cemeteries.
- Services and Payments to Veterans. This appropriation provides for the assessment and review of entitlements, the provision of case management and installation of ex-service memorials. \$6.014 million .

Non-Department Expenses

- Development and maintenance of Services Cemeteries. \$0.746 million
- Provision of additional support to veterans and their families. \$1.027 million
- Support to the RNZRSA. In the 2008/09 year a grant of \$1 million was made to the RNZRSA to support its work with veterans. The RNZRSA made a request to receive this funding across four years at \$0.250 million per year concluding in FY 2011/12.
- War Disablement Pensions. \$132.620 million (Estimated)
- Fully subsidised health care for veterans in receipt of War Disablement Pensions. \$22.412 million (Estimated)
- Payment of subsidies on Rehabilitation Loans \$0.006 million (Estimated)
- Ex-gratia payments and comprehensive medical assessments for Vietnam veterans. This appropriation is limited to ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions, and for the annual comprehensive medical assessments for Vietnam veterans. \$1.400 million
- Debt write-down for Benefits and Other Unrequited Expenses (BOUE). This appropriation is limited to the write-down of Crown debtors administered by the NZDF due to the requirement to comply with Crown accounting policies and the generally accepted accounting practices (GAAP). \$0.250 million
- Special annuities. This appropriation is limited to paying annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society. \$0.026 million.

Legislation

The key legislation in the portfolio is as follows:

The War Pensions Act 1954

The Veterans' Affairs Act 1999

The Burial and Cremation Act 1964 - Allows for the provision of Services Cemeteries.

The Patriotic and Canteen Funds Act 1947

The Defence Act 1990

War Pensions Regulations 1956

Major Policy and Implementation Issues

War Pensions Process

War Disablement Pensions are paid for current disabilities which are attributable to, or aggravated by, service.

A significant amount of work over several months has gone into reviewing and refining the War Disablement Pension process to reduce the backlog of work that had accumulated. As a result the accumulated backlog of claims has been eliminated and much better information is now being obtained from claimants to support their applications. Decisions on claims and notifications back to the claimant are now being processed within four weeks of being referred to the War Pension Claims Panel from Case Management. The percentage of claims being accepted and declined is around 50/50.

The number of reviews against the War Pension Claims Panel decision made to the National Review Officer, is showing a small decline. The provision of additional resources in this area during the past 18 months has seen the backlog of files and waiting period for a decision reduced from nine months to six weeks in most instances.

The War Pension Appeal Board has around nine months of work on hand and they are currently meeting every three weeks to reduce their caseload.

Rewrite of the War Pensions Act 1954

On 9 October 2007, Cabinet agreed to refer the review of the War Pensions Act 1954 to the Law Commission. The review formed part of the Law Commission's 2007/08 work programme.

The War Pensions Act 1954 has not been significantly altered since enactment and the current structure and content of the legislation no longer adequately fulfils its purpose within a modern context.

The Law Commission was asked to review the War Pensions Act 1954 and recommend a scheme that met the current day needs of veterans. As part of its review, the Law Commission undertook extensive consultation with the RNZRSA, other veterans groups and interested individuals. The Law Commission also consulted extensively with the New Zealand Defence Force over the application of war pensions cover to veterans of more modern deployments.

The Law Commission recommended that war pensions be administered under two distinct schemes. The schemes are broken into two groups based on the date of the implementation of universal accident compensation, 1 April 1974. Using this division Scheme One would cover all veterans with qualifying operational service prior to 1 April 1974, and Scheme Two would cover all veterans with qualifying operational service from 1 April 1974.

Paragraph withheld under Section 9 (2) (f) (iv) of the Official information Act 1982.

The Memorandum of Understanding with RNZRSA and the Ex Vietnam Services Association (EVSA)

In December 2006, a Memorandum of Understanding (MOU) was signed with the RNZRSA and EVSA to respond to the concerns raised by Viet Nam veterans and their families. The package included a range of provisions to address the concerns of Viet Nam veterans and their families.

Veterans Card and Children's Card

Work is being undertaken to develop a veteran's card for veterans who are under the age of 65. This will replace the current War Pensions Medical Treatment card. The intent is that this card will link to a registration database and will become a means of identifying eligibility for access to veterans' related services.

The NZDF is undertaking a project to develop a micro chipped card that contains medical data. VANZ is working with the NZDF on this project so that VANZ is able to transfer the data to a veteran's card when the veteran takes release from the NZDF.

The mail out introducing the card for the children of Vietnam veterans began on 23 July 2010. All 1673 registered children at that time were sent a letter and an application form inviting them to apply for the card. The first cards were sent out on 6 September 2010. The Vietnam Veterans Children's card was officially launched by the Minister on 17 September 2010. To date a total of 505 cards have been requested and dispatched.

Veterans' SuperGold Card

When the SuperGold card was introduced on 30 August 2007, a Veterans version of the SuperGold card was also introduced.

To date 40,258 Veterans' SuperGold cards have been issued. Veterans' SuperGold cards make up approximately 2.41% of the total SuperGold Cards issued.

The Number of Veterans

There are no verifiable figures for the number of veterans in the New Zealand population. The last time any data on the veteran population was collected on a nationwide basis was in 1971 when the Census collected war service data for World War II. In 2003 a submission was made to have a question on veterans made part of the 2006 census. This was unsuccessful as Statistics New Zealand did not feel that the size of the veteran population warranted a specific question.

In 2011, a further submission was made to have a question on veterans included in the 2013 census, however on 14 September 2011, the Cabinet, Economic Growth and Infrastructure Committee agreed that a question of war service would not be included in the 2013 census. VANZ is working with NZDF and Statistics New Zealand to continue to build a profile of the veteran community that can be extrapolated to give updated annual estimates and projections of the war veteran population by age group.

The only verifiable figures available are for those in receipt of a War Disablement Pension. As a consequence it is very difficult to analyse or assess the demand for services.

Deployments Not Currently Covered by the War Pensions Act 1954

In order for an operational deployment to have war pensions cover the Minister of Veterans Affairs issues a declaration giving cover. The past practice has been to issue declarations on a deployment by deployment basis. This has led to inequalities between veterans of deployments with similar levels of risk. There are currently a number of historical deployments to which New Zealand contributed almost 4500 personnel and for whom there is no war pension cover.

It is intended to address this issue as part of the Government response to the Law Commission Review of the War Pensions Act 1954.

Pending Decisions or Actions

Ministerial Advisory Group

Another initiative the Crown agreed to under the MOU with the RNZRSA and EVSA was the establishment of the Ministerial Advisory Group on Veterans' Health. The Advisory Group was established as a Ministerial Advisory Body.

The role of the Advisory Group was to provide independent external advice to the Minister of Veterans' Affairs on the following:

- the way in which veterans' specific service related health conditions should be addressed within the war pensions and veterans support systems;
- the management of service related health conditions to promote wellness and mechanisms for rehabilitation;
- the potential affect on veterans' health of contemporary battlefield hazards;
- review relevant research to specifically relate to veterans; and
- review of specific health concerns to specific missions, particularly environmental factors.

Following the expiration of funding for the Ministerial Advisory Group on Veterans' Health on 30 June 2011, the Minister announced that a new advisory group was likely to be considered as part of the Law Commission's review of the War Pensions Act 1954.

The need for a Ministerial Advisory Group to advise the Minister on the issues above is clear, and ideally should be in place before the Government responds to the Law Commission's review. Officials have commenced work to identify a new advisory group with a clear focus, and appropriate terms of reference. The creation of a new group would need to be met from within existing baselines.

Funding for the Vietnam Veterans Ex-gratia Payments

In the MOU with the RNZRSA and EVSA the Crown agreed to the provision of ex gratia payments for a range of prescribed medical conditions. When the costing of this initiative was undertaken the only data available was the data relating to the veterans that were on a War Disablement Pension for one of the conditions. The estimated value of the ex-gratia payments was \$1.215 million. The actual cost to date has been \$2.915 million. This has been driven by the number of veterans who were not known to VANZ or who had one of the prescribed medical conditions but were not on a War Disablement Pension for that condition.

The additional cost of the payments has been funded through the funds made available to fund the Vietnam Veterans comprehensive medical assessment.

Gallipoli 2015

Gallipoli 2015 is a significant anniversary in that it will be the Centenary of the Gallipoli Landings. In 2010, in addition to the usual commemoration at Gallipoli on Anzac Day, a group of veterans' representative of all New Zealand veterans, and a group of secondary students representing the youth of New Zealand, were taken to the commemoration. If a similar approach is to be made to the 2015 commemoration, a budget bid will need to be made to cover the cost of the veterans' and students' involvement.

In preparation for 2015, officials have undertaken a formal review of the 2011 activities, to ensure that the lessons learnt from 2011 can be addressed in the planning for 2015. Veterans' Affairs New Zealand continues to maintain a strong tri-lateral relationship with counterparts in Australia and Turkey for these commemorations.

Appointments

War Pensions Advisory Board

Section 5A of the War Pensions Act 1954 establishes a War Pension Advisory Board. The role of the War Pension Advisory Board is to provide the Minister of Veterans' Affairs with advice on war pension issues.

The War Pension Advisory Board also has responsibility for administering the War Pensions Medical Research Trust Fund. The War Pensions Medical Research Trust Fund is a fund made up from donations and bequests. The purpose of the War Pensions Medical Research Trust Fund is defined by Section 18L of the War Pensions Act 1954 as to make 'grants or awards for the purpose of medical research into mental disorders, or other fields of medical research beneficial to former members of the forces'.

The War Pension Advisory Board consists of the Secretary of War Pensions (as presiding member), the National President of the RNZRSA and a Medical member.

War Pensions Appeal Board

Section 8 of the War Pensions Act 1954 establishes a War Pensions Appeal Board. The War Pensions Appeal Board considers appeals in respect of decisions made by the National Review Officer or the Secretary for War Pensions concerning an application for, or a review of, a War Disablement Pension or the attributability of a veteran's death to their service.

The War Pensions Appeal Board consists of a chairperson, deputy chairperson and two registered medical practitioners, one of whom is appointed as a representative of the members of the Forces on the nomination of the RNZRSA. All members of the War Pensions Appeal Board are appointed by the Minister of Veterans' Affairs.

The current members of the War Pensions Appeal Board are:

- Mr David McGregor OBE, ED, LLB (Chairperson)
- Ms Rebecca Ewert LLB, LLM, MBA (Deputy Chairperson)
- Dr Peter Robinson (nominated by the RNZRSA)
- Dr Donald Stewart (nominated by the Minister of Veterans' Affairs)

Vietnam Veterans and Families Trust

The Vietnam Veterans and Families Trust was created as a result of the Memorandum of Understanding (MOU) agreed between the Government and the RNZRSA and EVSA. The Government provided the Trust with initial capital of \$7 million for an initial 30 year period. The interest on that sum will be available for distribution by the Trust. The Trust Deed requires the repayment of the capital at the conclusion of the 30 year period.

The Trust Deed was designed to ensure that the Trust is visibly independent from the Crown, while maintaining strong accountability links to the veterans themselves. It is not a Crown Entity.

The Trust Board comprises four Trustees appointed by the veterans' organisations and a Chair appointed by the Minister of Veterans' Affairs. Administrative support to the Trust is provided by the Department of Internal Affairs

The current Chair is Philippa Smith Lambert.

Statutory Appointments Under the War Pensions Act 1954

Secretary for War Pensions

The Secretary for War Pensions is an appointment under the War Pensions Act 1954. The Secretary is appointed by the Chief of Defence Force and is a member of the civil staff of the New Zealand Defence Force. The Secretary is responsible for the administration of the War Pensions Act 1954 and has wide ranging discretion within the Act to make decisions.

The War Pensions Claims Panellists and the National Review Officer act under the delegation of the Secretary.

Deputy Secretary for War Pensions

Section 5 of the War Pensions Act 1954 allows for the Secretary for War Pensions to appointment of a Deputy Secretary for War Pensions to exercise all the powers, duties and functions of the Secretary. This allows for a separation between the functional administration of the Act, undertaken by the Deputy Secretary, and the ultimate accountability of the Secretary.

War Pensions Claims Panels

The War Pensions Act 1954 defines the composition of the claims panels that assess applications for War Disablement Pensions. Each panel is made up of a representative nominated by the Royal New Zealand Returned and Services' Association and a member of the staff of Veterans' Affairs New Zealand.

The RNZRSA members of the War Pensions Claims Panels are statutory appointments that are made by the Secretary for War Pensions on the basis of nominations made by the RNZRSA.

National Review Officer

The role of the National Review Officer is specified in the War Pensions Act 1954. The National Review Officer operates under delegation from the Secretary for War Pensions and reviews the decisions made by the War Pensions Claims Panels on the request of individual veterans.

Where new medical information is available, the National Review Officer can also reopen a claim and allow it to be reconsidered as a new claim.