



Briefing to the Incoming Minister for Veterans

Presented to the Hon Ron Mark
October 2017

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Introduction

Veterans' Affairs has always been, and will continue to be, focused on providing excellent personal support for veterans and their families: respecting veterans and honouring their service.

Veterans' Affairs has four areas for strategic focus. They are:

- honouring the service of our veterans, including enhancing our services and support, and supporting commemorations
- creating strong foundations for delivery, including supporting the independent review of the Veterans' Support Act 2014, and using our new information management capability to identify service improvements and emerging client needs
- generating a sustainable workforce, bedding in our new operating model to deliver excellent client service, and focusing on career paths for our people
- partnering for greater effect – with other New Zealand government agencies, veterans' organisations and international partners.

As Minister for Veterans you are responsible for an important portfolio focused on the recognition and support of the men and women whose lives have been at risk while serving in the New Zealand Armed Forces.

This brief is an introduction to your ministerial responsibilities and key upcoming work. It also covers major changes to Veterans' Affairs, and the challenges and opportunities we see within the portfolio. We describe who we are, what we do, and how we can support you.

We are preparing separate briefings for you about key issues arising over the next three months.

The Veterans' Affairs portfolio

The Chief of Defence Force is responsible to you for the efficient and economic administration of the Veterans' Support Act 2014. Veterans' Affairs is a unit within the New Zealand Defence Force (NZDF). Our role is to serve and support eligible New Zealand veterans and their families.

The Head of Veterans' Affairs has the statutory authority to determine individual claims for entitlements, services, and support.

As a unit of NZDF we report through the Chief People Officer. We work in close partnership with NZDF Health, in particular to support veterans with mental health issues.

Our clients are the men and women who have served New Zealand at a time of war or in operations overseas involving significant risk of harm. Some were injured or made ill through their service. These men and women may be currently serving or working in a civilian capacity in the NZDF, or they may have moved on to lives outside the military, or retired.

Our work at a glance

**\$289m
yearly
budget**



12,000+ clients



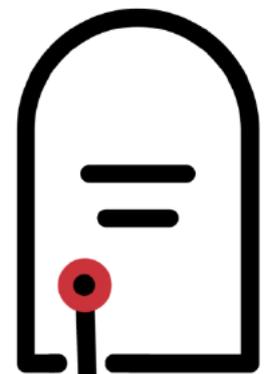
**Our enquiry line team
answers 38,000
phone calls a year**

**3,600 clients
receive VIP home
services**



65 staff

**We maintain
183 services
cemeteries**



Your responsibilities

As Minister, you are responsible for the administration of the Veterans' Support Act.

Primary recurring decisions you will be asked to make include the following:

- Declarations of operational service to determine servicepersons covered under the Veterans' Support Act and servicepersons who are eligible for burial in services cemeteries under the Burial and Cremation Act 1964
- Adoption of Statements of Principles developed by the Australian Government Repatriation Medical Authority. These are decision-making tools used to determine whether specific types of injury and illness relate to a serviceperson's service
- Appointment of the chairperson and members of the:
 - Veterans' Entitlements Appeal Board
 - Veterans' Advisory Board
 - Veterans' Health Advisory Panel
- Appointment of the chairperson of the Viet Nam Veterans and Their Families Trust
- Approving appropriations relating to veterans within Vote Defence Force (in 2017/18 this totalled \$126.6 million) and one appropriation covering the Veteran's Pension within Vote Social Development (in 2017/18 this totalled \$162.4 million).

Detailed briefings will be provided to you when decisions need to be made on each of these matters.

You are also responsible for the administration of the Patriotic and Canteen Funds Act 1947. A briefing on this will be provided to you at a later date.

Information on finance matters and those bodies you make appointments to is provided in appendices 1 and 2.

The next three months

We would like to discuss the following matters with you at an early stage, as they cover areas which you will need to make a decision about, or take action on.

Review of the operation of the Act

A review of the operation of the Veterans' Support Act is currently under way. The review is examining whether the Act meets the purposes for which it was designed.

The Chief of Defence Force appointed Professor Ron Paterson, a former ombudsman and health and disability commissioner, as the independent reviewer. Professor Paterson called for public submissions and has conducted consultation meetings around New Zealand.

Professor Paterson is due to present his report to the Chief of Defence Force by 15 December 2017. The Chief of Defence Force will consider it and pass it to you for tabling in the House. We expect that Professor Paterson will have some recommendations to make; and the Government will need to respond to these in due course. Legislative changes in 2018/19 could follow.

Repatriation

Earlier this year the Government decided to repatriate the remains of those interred in military graves in Malaysia and Singapore between 1954 and 1971. The Minister for Veterans is responsible for this project and NZDF has been tasked as the operational agency to carry it out. The NZDF project manager, Group Captain Carl Nixon, will provide you with regular briefings on how the project is progressing.

Rehabilitation strategy and action plan

In recognition of an emerging, younger, veteran population, the Veterans' Support Act has a strong focus on rehabilitation.

During 2017, Veterans' Affairs has been working with a number of other agencies to develop a holistic strategy that will provide veterans who have been injured or become ill because of their service with pathways to access the support they need to recover and live well. Others involved in the project include veteran representatives, the wider NZDF, the Ministry of Health, the ACC, the College of GPs, Green Cross Health, two veteran advocacy groups - the Royal New Zealand Returned and Services' Association (RNZRSA) and No Duff - and academics.

The strategy is now in a late stage of development. We would welcome an opportunity to discuss with you a possible public launch late in 2017.

Grant to the RNZRSA

As a small agency, we need to have a close working relationship with other organisations whose networks and contacts can help us to support those who served in the New Zealand Armed Forces.

One of these organisations is the RNZRSA. The Government has made grants to the RNZRSA in most (but not all) years since 2008, with the amount granted varying over this period. The RNZRSA submitted its most

recent grant application in July 2017, along with a report on how it had used the funds made available to it the previous year.

A decision about this application would require joint ministers (the Minister for Veterans and the Minister of Finance) to agree at the time of the October baseline update of the Budget to a fiscally neutral adjustment between two non-departmental other outputs. This would allow Veterans' Affairs to make a grant to a non-government organisation to be used in support of veterans and their families. The amount of funds that could be available for this purpose in 2017/18 will not be known until the October 2017 baseline update is completed.

Should the Government wish to make such a grant, we should know by early November whether funds might be available. We recommend an early discussion with you about the RNZRSA proposal.

Upcoming overseas commemorations

The Chief of Defence Force is responsible for organising all New Zealand overseas military commemorations including Gallipoli. The programme of overseas commemorations is planned and coordinated with NZDF, the Ministry of Foreign Affairs and Trade, and the Ministry of Culture and Heritage. You will need to discuss ministerial attendance at the various commemorations with your colleagues.

While we anticipate that next year's Anzac Day commemoration ceremony at Gallipoli will be similar to those in past years, declining attendances, issues relating to security, and funding sustainability may require a review of options for the commemoration after the First World War centennial period, i.e. from 2019 onwards.

The Government has previously organised and funded veteran groups to return to the location of their service for 50th, 60th, and 70th anniversary commemorations.

In early 2018, officials will be proposing to Government that, subject to Malaysian Government approval, a representative 60th anniversary commemoration for New Zealand service in Malaya/Malaysia be held in Malaysia in September 2019.

Other upcoming significant commemorations include:

- Battle of Beersheba, Israel, 31 October 2017
- Liberation of Le Quesnoy, France, 4 November 2018
- Armistice, National War Memorial, 11 November 2018

The NZDF Director of Heritage, Commemorations and Protocol, John McLeod, will provide you with regular briefings on how arrangements for the commemorations are progressing.

Recurring matters for your attention

Declarations of operational service and the adoption of new Statements of Principles will be brought to your attention on a periodic basis. A new declaration of operational service for Iraq will be provided to you in November. A new declaration for the purposes of the Burial and Cremation Act will follow.

In the coming weeks you will receive a briefing, and draft Cabinet submission, on several Statements of Principles for possible adoption this year in New Zealand.

Recent changes to Veterans' Affairs

The introduction of the Veterans' Support Act in late 2014 required Veterans' Affairs to make significant operational and organisational changes to deliver entitlements, services, and support under the new legislative framework.

Major changes included:

- centralising staff in one office in Wellington
- implementing new legislation in two stages over two years
- implementing a new IT system
- new staff functions and organisational processes
- a new focus on rehabilitation
- increasing our engagement with veteran interest groups
- introducing seven master service agreements to replace 20,000 individual contracts
- accessing NZDF corporate infrastructure and medical expertise
- developing new operational policies, and publishing them on our website.

The early stages of the change process inevitably presented some challenges, and they were added to by the need to manage disruption following the Kaikoura earthquake.

We are continuing to improve how we deliver entitlements, services, and support. Our current initiatives include ongoing IT enhancements, implementing a new plain language standard in all of our communications, developing new application forms and templates to align with the new standard and training staff. Veterans' Affairs is looking for new ways to deliver services and support to achieve the best outcomes for veterans and their families. The rehabilitation strategy, referred to earlier, is the first such initiative.

The following section outlines some current strategic challenges and opportunities.

Strategic challenges and opportunities

Coverage

The term “veteran” has broad meaning in the general community and in the NZDF. It can mean those who have served in any deployment overseas. Sometimes it is applied to anyone who served in any uniformed capacity in New Zealand’s Armed Forces. Some current service personnel, who are covered by the Veterans' Support Act, do not associate with the term.

The Veterans’ Support Act uses a narrow definition. It refers to, those with any service before 1 April 1974, or those with “qualifying operational service” on or after that date.

We understand that, as part of public consultation on the review of the operation of the Veterans' Support Act, there has been a call to review who is covered under this legislation. Any change could have financial implications for the Government and resource implications for Veterans’ Affairs.

Changing demographic

The majority of our current clients are over 65 years old and served before 1 April 1974.

In future, we expect a significant change as we work with more contemporary veterans (who performed operational service after 1 April 1974). Those in this group are likely to have served in a number of deployments during their career, and will come to us with more complex health issues. The entitlements and support that this group receive will be focussed from the first on rehabilitation and independence.

Over the past year, we have been trying to raise awareness among contemporary veterans about the services, support, and entitlements we can provide to them. In addition to building networks within this group, we have also been raising key stakeholder awareness about contemporary veterans.

We are preparing a separate briefing for you about this topic.

Mental health

International literature suggests that up to one-sixth of deployed personnel could have some form of long-term mental health issue arising from experiences during deployment. Acknowledging the risks for this group, we prioritise these applications.

We work closely with NZDF Health, and veteran advocacy groups, to address veteran mental health needs. This work includes developing accessible mental health clinical pathways, raising awareness of mental health matters in the community generally, and enhancing the understanding by primary health providers (such as GPs) of veteran-specific issues and needs.

While this support is valuable, we are an opt-in service, and we only know about those who approach us for help themselves, or who are referred to us by others in the community. The possibility of veterans with service-related mental health issues falling through the cracks remains a challenge, and it is one we are working to address.

We are preparing a separate briefing for you about this topic.

Transitioning from NZDF to Veterans' Affairs

As leaving service can be challenging, we are working closely with NZDF to make sure that eligible service personnel who have been identified as having urgent needs, including service-related illnesses or injuries managed by NZDF medical staff, can receive support from Veterans' Affairs.

Work is now under way, in conjunction with the People and Health portfolios in NZDF, to make the transition as smooth and user-friendly as possible. This includes improving portability of key data about the overall veteran population, so we can make evidence-based decisions about their needs now and in the future. This will also help us plan our future workforce.

Family support

The Veterans' Advisory Board reported to the previous Minister on several issues relating to coverage for veterans' families and whanau. This advice included issues such as coverage for families under the Veterans' Independence Programme (VIP), Surviving Spouse or Partner Pension, rights of estates, and family members covered by the Veterans' Support Act.

Some veterans have raised concerns about intergenerational health issues arising from service. The science on this issue has changed over time. We have based our decisions regarding intergenerational transfer on current scientific evidence.

We understand there have been several calls at the public consultation meetings being held as part of the review of the operation of the Veterans' Support Act to expand its coverage for families and whanau.

Waitangi Tribunal

The Wai 2500 Military Veterans Kaupapa Inquiry is a matter proceeding before the Waitangi Tribunal. The preliminary phase over the last two years has primarily involved oral hearings. These have given veterans and their whanau an opportunity to share their experiences. The Tribunal identified several large research projects to be undertaken, and this work is currently under way. Phase two of hearings may commence 6 to 12 months from now, and Veterans' Affairs may be required to participate as the Crown presents evidence. We will keep you informed of any progress in this area.

Eligibility for burial in a services cemetery

Local authorities are responsible for the operation of services cemeteries. As Minister for Veterans, you decide which operational service creates eligibility for burial in services cemeteries under the Burial and Cremation Act.

The Burial and Cremation Act provides for the burial of:

- members of Her Majesty's Forces who have been on eligible operational service
- spouses, civil union partners and de facto partners of eligible members of Her Majesty's Forces.

However, there have been a number of issues arising around this matter. A number of historic declarations incorrectly include members of overseas forces that were not part of 'Her Majesty's Forces'. Problems have arisen because the Veterans' Support Act and the Burial and Cremation Act define operational service differently, and this has tended to confuse veterans about their eligibility. A review of the Burial and Cremation Act is currently under way. The Ministry of Health and Department of Internal Affairs lead this review.

We will brief you on these matters.

Communication and modernising service channels

We are aware that younger veterans prefer to communicate differently from previous generations. We are adapting our approach to reach the widest possible audience. One of our top priorities is exploring ways to let clients do business with us on line – such as making applications or sending us documents.

Organisational structure

Veterans' Affairs is part of NZDF

Veterans' Affairs sits within the People Capability Portfolio of NZDF and is responsible to the Chief of Defence Force.



Lieutenant General
Tim Keating

Chief of Defence Force



Air Vice-Marshal
Kevin Short

**Vice Chief of Defence
Force**

Commodore
Nigel Philpott

Chief People Officer

Veterans' Affairs leadership

We have a small senior management team. These are the people you will likely see most often, but, with your agreement, we will make available our subject matter experts to brief or support you whenever this might be helpful.



Bernadine Mackenzie

**Head of
Veterans' Affairs**



Marti Eller

**Deputy Head of
Veterans' Affairs**

Pat Povey

**Veterans' Services
Manager**

Elaine Myers-Davies

Project Manager

Jo Elworthy

Principal Advisor

What we do

We have 65 staff. Our 'business as usual work' includes:

- case managing our clients
- managing the Veterans' Independence Programme
- developing policy advice on the veteran sector
- assisting with commemorations of significant military anniversaries
- working with non-government organisations that represent veterans
- maintaining, and providing memorials for, 183 services cemeteries throughout New Zealand.

How we will support you

We will provide you with:

- a weekly briefing note to update you on recent and forthcoming events that relate to your portfolio
- quarterly reports with more formal information about how we are tracking against our objectives and performance indicators
- support for your portfolio secretary, ministerial adviser, and press secretary when veteran-related matters arise
- specialised advice about such matters as the Statements of Principles.

We will also give you advice about a range of other matters which bear on your portfolio. In the past, we have had a standing arrangement to meet with the Minister each week. Our Veterans' Affairs team is accompanied by others from NZDF when matters which NZDF is managing for you are to be discussed. NZDF, for example, is responsible for the repatriation project now under way and for briefing you about significant overseas commemorations.

The Head of Veterans' Affairs has the statutory authority to determine individual claims for entitlements, services, and support. Any operational matters raised with you should be referred to the Head of Veterans' Affairs to resolve.

From time to time you will be asked to make decisions relating to the overall operation of the Veterans' Support Act. This includes determining coverage and updating decision-making tools. As a consequence of the review of the operation of the Act, you may also need to make decisions about the nature and scope of entitlements, services, and support provided under the Act. When this happens, we will provide you with background information and advice.

Who we work with

We work alongside other government agencies and veteran groups to provide support services to veterans and their families.

We have a close working relationship with the RNZRSA and with the contemporary veterans' group, No Duff. We run a number of forums in regions each year in conjunction with the RNZRSA. These offer opportunities for veterans to have face-to-face meetings with case managers.

Government agencies we work with include:

- the Ministry of Social Development, who administer the Veteran's Pension on our behalf
- ACC, who provide entitlements, services, and support to veterans
- the Ministry of Health with whom we are discussing issues relating to our rehabilitation strategy
- the Department of Internal Affairs, whose Visits and Ceremonial Office coordinates veteran attendance at domestic commemorations of military significance
- the Ministry of Culture and Heritage and Ministry of Foreign Affairs and Trade, who support offshore commemorations of military significance.

Case studies

Veterans' Affairs deals with many cases over the course of each year. Some may be simple and straightforward, but others may be complex – and can be distressing. The stories below describe the sorts of situations where Veterans Affairs can provide help and support. Names in the case studies have been changed so clients are not identified.

Jean

Jean is a 38 year old veteran who served in East Timor. Some years after leaving service she became unwell. She was diagnosed with depression and anxiety related to her operational service. Jean had used all of her sick leave and annual leave. She was struggling to function and had to leave her job.

Veterans' Affairs granted income support and put in place a treatment and vocational rehabilitation plan.

This included counselling and therapy to support Jean to find a sustainable career where she could work in an environment where she felt comfortable. Veterans' Affairs funded a vocational provider who helped her to develop interview and job search skills, and identified a volunteer role which led to full time employment. Veterans Affairs continues to support Jean with treatment, and her case manager stays in touch with her so that any potential problems are identified early.

David

David is a Second World War veteran who lives with his wife in his own home. He suffers from osteoarthritis of his hips and knees, noise induced hearing loss and tinnitus and chronic obstructive pulmonary disease, all of which have been accepted as related to his service.

David receives a Disablement Pension at 55% whole-person impairment for the above conditions.

Veterans' Affairs supports David to live independently in his home. He has been provided with a medical alarm, lawn mowing and gardening services, house and gutter wash, home help and podiatry, as he is no longer able to manage any physical activity beyond his self-cares.

If David passes away before his wife, we can continue to provide these services for her for up to 12 months following his death. She will also be entitled to a Surviving Spouse or Partner Pension.

The legislation we work under

On 7 December 2014, the Veterans' Support Act came into operation. It had been developed following a 2009 review by the Law Commission of the previous (and very dated) War Pensions Act 1954. The Veterans' Support Act is modern and flexible legislation, better suited to meeting the needs of New Zealand veterans in the twenty-first century.

It introduced better support for veterans and their families, and made it possible to provide:

- better income support for veterans who are unable to work full-time
- support to help veterans to live independently in their homes through the Veterans' Independence Programme
- social and vocational rehabilitation for those injured or made ill as a result of their service.

Several key principles underpin the Veterans' Support Act. It must be administered so that it:

- provides veterans, their spouses and partners, their children and their dependents with fair entitlements
- promotes equal treatment of equal claims
- takes a benevolent approach to claims; and
- determines claims in accordance with:
 - the substantial justice and merits of the claim; and
 - not in accordance with any technicalities, legal forms, or legal rules of evidence.

There are two schemes covering eligible service occurring before and after 1 April 1974:

- Scheme One covers all servicepersons who served from the Second World War to Viet Nam.
- Scheme Two covers those servicepersons with qualifying operational service since 1 April 1974.

Each scheme provides different entitlements. Scheme One preserves the entitlements that had been available under the War Pensions Act. Scheme Two aligns entitlements with those provided by ACC.

Appendix 1

Portfolio budget

The appropriations in 2017/18 are \$289 million.

The Vote appropriation forecast spending for FY 2017/18 consists of the following outputs.

Vote Defence Force

Departmental Output Expenses	Administration Services	\$2.869 mil
	Policy Advice	\$0.976 mil
	Services and Payments to Veterans	\$6.269 mil
Non-Departmental Output Expenses	Development and Maintenance of Services Cemeteries	\$0.746 mil
Non-Departmental Benefits or Related Expenses	Veterans' Support Entitlement	\$90.915 mil
	Assessment, Treatment and Rehabilitation	\$11.593 mil
	Special Annuities	\$0.089 mil
	Veterans' Independence Programme	\$11.246 mil
Non-Departmental Other Expenses	Ex-gratia Payments and Annual Medical Assessments for Viet Nam Veterans	\$1.100 mil
	Debt Write-Down for Benefits or Related Expenses (BoRE)	\$0.250 mil
	Fair Value Write-Down on Veteran Trust Loans and Thirty-Year Endowment	\$0.203 mil
	Veteran Assistance to Attend Commemorations and Revisit Battlefields	\$0.340 mil
	Grant Payments to Non-Government Organisations	\$0.0mil

Vote Social Development

Departmental Output Expenses	Processing and Payment of Veteran's Pension	\$0.443 mil
Non-Departmental Benefits or Related Expenses	Veteran's Pension	\$162.002 mil

Appendix 2

Statutory and non-statutory bodies

Veterans' Entitlements Appeal Board

The Veterans' Entitlements Appeal Board determines appeals of review decisions veterans and other claimants disagree with.

The Chair of the Board is Ms Rebecca Ewert.

Veterans' Advisory Board

The Veterans' Advisory Board responds to requests from you for advice and may initiate work on such things as policies relating to veterans' entitlements.

The Chair of the Board is Mr Chris Mullane.

Veterans' Health Advisory Panel

The Veterans' Health Advisory Panel provides you with advice and guidance on matters such as the impacts of service on veterans' health; and the relationship between qualifying operational service and impairment for the purpose of assessing eligibility to entitlements.

The Chair of the Panel is Ms Cathy O'Malley.

Viet Nam Veterans and their Families Trust

The Trust is a non-statutory organisation. It was established when the Government signed a Memorandum of Understanding in 2007 with the Royal New Zealand Returned Services' Association and the Ex-Viet Nam Services' Association.

The Government provided it with capital of \$7 million for an initial 30-year period. The interest on that sum is available for the Trust to distribute. The Trust Deed requires repayment of the capital at the end of the 30-year period.

A chair is jointly appointed by the Minister for Veterans and Minister of Defence. The Trust is administered by the Department of Internal Affairs.

The Chair of the Trust is Mr Lindsay Pope.

A detailed briefing on the statutory and non-statutory bodies will be provided to you in due course.