



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 – Rick Ottaway

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 four areas. Each area is headed by a Manager.

Policy and Planning

Manager: Fiona Macrae

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

Deputy Secretary of War Pensions

Position currently vacant. Recruiting action under way.

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 Claims Panels and the National Review Officer and the provision of support to the War Pensions Appeal Board.

Veterans Services

Manager: Leah Macdonald

Services to veterans are delivered via 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.

Corporate and Commemorations

Manager: Elaine Myers-Davies

Corporate

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

Commemorations

VANZ is responsible for the co-ordination of New Zealand's participation in the commemoration of significant military anniversaries including ANZAC Day at Gallipoli in collaboration with Australia. The involvement of veterans in the commemoration of specific anniversaries is decided on a year by year basis by Cabinet. Each of these events is subject to a separate funding bid from the Minister's Commemoration's Fund.

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

Appropriations

Appropriations for the 2008/09 financial year are;

- Departmental Expenses - Policy and Administration. \$1.919 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.
- Assessment and review of entitlements, the provision of case management and installation of ex-service memorials. \$5.513 million in 2008/09 and \$5.977 in the outyears.
- 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.
- War Disablement Pensions. \$139.314 million (Estimated)
- Fully subsidised health care for veterans in receipt of War Disablement Pensions. \$19.468 million (Estimated)
- Payment of subsidies on Rehabilitation Loans \$0.049 million (Estimated)

Legislation

The key legislation in the portfolio is as follows:

The War Pensions Act 1954 - The War Pensions Act 1954

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

The Patriotic and Canteen Funds Act 1947

Major Policy and Implementation Issues

War Pensions Process

War Disablement Pensions are paid for current disabilities with a link to service.

The number of claims for War Disablement Pension has risen significantly over the last five years. In addition, a number of first time claimants are making claims for multiple disabilities. The majority of these claims are made without supporting medical evidence requiring VANZ to have a medical assessment undertaken. The current average time to gain a medical assessment is six months.

The wait time on medical assessments combined with the increased number of claims has led to significant delays in the processing of War Disablement Pensions.

The War Pensions Claims Panels are made up of a representative of the RNZRSA and a medically qualified representative of VANZ.

A new process is being developed. The new process involves case managers working with veterans to get the maximum amount of available medical information to support a claim when it is lodged. Limiting unnecessary travel and relocation of files by asking the RNZRSA to nominate more panellists in central locations and providing administrative support for the War Pensions Claims Panellists will enable them to have more time focussed on decision making. The new process will be implemented after consultation with staff and the RNZRSA.

Implementation of the Machinery of Government Review

On 1 July 2008 VANZ and the War Pensions Services group of the Ministry of Social Development were integrated. All the staff from the War Pensions Services group transferred to the NZDF.

Extensive analysis of the current War Pensions Services processes associated with the decision making and paying of War Disablement Pensions has been undertaken. The reviews have identified that the processes for administering War Disablement Pensions has been segmented and no longer follows a defined process or meets a defined standard.

Work has been undertaken to reengineer the processes around war pensions processing. All service delivery interactions with veterans will be case managed. This will give veterans one point of contact for all services and entitlements delivered by VANZ. Processing will be linked to case management to ensure that the case managers have up to date information to assist them with providing the best service possible to veterans.

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 forms 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 review of the War Pensions Act 1954 will ensure that there is appropriate legislation in place to meet the changing needs of veterans.

The Law Commission has written a discussion document and is currently in the process of consulting with the veteran community.

A Veterans' Affairs New Zealand staff member has been seconded to the Law Commission to assist with the process.

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 includes a range of provisions to address the concerns of Viet Nam veterans and their families.

Centres of Excellence

Under the MOU it was agreed that the Crown would work to establish 'centres of excellence' in providing information and support for the diagnosis and treatment of particular health conditions prevalent amongst veterans.

Work is currently being done on the development of a virtual centre of excellence based on evidence, research and information dissemination and sharing. The intent is that the centre of excellence would be accessible by current service providers to assist with supporting best practice in veterans' care in New Zealand. The Centres of Excellence project will also have a connection to the Expert Panel to be set up under the MOU.

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 card for the children of Vietnam veteran is in the process of being finalised. Consultation with the veterans groups is taking place over the wording on the back of the card.

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 20,534 Veterans' SuperGold cards have been issued. Veterans' SuperGold cards make up approximately 3% of the total SuperGold Cards issued.

Veterans' Homes

The Ranfurly and Rannerdale Trusts are seeking funding to assist with the redevelopment of the rest home facilities that form part of the Ranfurly and Rannerdale War Veterans' Homes.

In 2004, the government gave the Rannerdale Trust and the Montecillo Trust loans of \$0.225 million each. The loan to the Rannerdale Trust was to cover the cost of deferred maintenance and capital works for the Rannerdale War Veterans' Home. The loan to the Montecillo Trust was to assist with the commencement of the redevelopment of the Montecillo Veterans' Home and Hospital on a new site. Both these loans were made on the basis that the loans are to be repaid when there are no longer any World War Two veterans resident in the homes, or in the event that the home is sold. Another condition of the loans was that interest will be charged at the capital charge rate and will be rolled up and paid on repayment of the principal.

In 2005, the Montecillo Trust was given an additional loan of \$2.5 million to complete the redevelopment of the Montecillo Veterans' Home and Hospital on a new site. The loan conditions were the same as those for the \$0.225 million loan.

The Ranfurly and Rannerdale Trust are seeking further loans under the same terms and conditions as the loan provided to the Montecillo Trust.

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.

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 41 deployments to which New Zealand has contributed almost 4500 personnel for which there is no war pension cover for the personnel involved.

VANZ is currently working with the NZDF on a Cabinet paper to address these inequalities.

Ministerial Forum

The Ministers of Veterans' Affairs from Australia, Canada, United Kingdom, United States of America and New Zealand hold a regular forum. The next one of these forums is due to be held in New Zealand in April 2009.

Pending Decisions or Actions

Expert Panel

Another initiative the Crown agreed to under the MOU with the RNZRSA and EVSA is the establishment of an Expert Panel on Veterans Health. The Expert Panel is to be established as a Ministerial Advisory Body.

The role of the Expert Panel is 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;
- preventative measures for managing exposure to possible environmental contaminants;
- the management of service related health conditions to promote wellness and mechanisms for rehabilitation;
- the potential affect on veterans' health of contemporary battlefield hazards.

The Terms of Reference for the Expert Panel have been agreed with the RNZRSA and the RNZRSA has provided a list of potential candidates. This will now require a formal Cabinet appointment process.

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 \$2.585 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. This is now impacting on the medical assessment and additional funding will need to be sought from Cabinet to complete the ex-gratia payment programme.

Gallipoli 2010

Gallipoli 2010 is a significant anniversary. In 2005 in addition to the usual commemoration at Gallipoli on Anzac Day a group of veterans' representative of all New Zealand veterans was taken to the commemoration. If a similar approach is to be made to the 2010 commemoration a budget bid will need to be made to cover the cost of the veteran's involvement.

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.

The War Pension Advisory Board currently has no medical appointment. The intention is for the Chair of the Expert Panel to be the medical appointment to link these two bodies and provide research expertise for the War Pension Advisory Board.

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 RNZRSA nominated registered medical practitioner also has a deputy.

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)
- Brig (Rtd) Dr Brian McMahon CBE, K.ST J, CMLJ, KLJ (nominated by the RNZRSA) (Dr Robinson's Deputy)
- 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 has 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 has been designed to ensure that the Trust is visibly independent from the Crown, while maintaining strong accountability links to the veterans themselves. It is not to be a Crown Entity.

The Trust Board comprises four Trustees appointed by the veterans' organisations and a Chair appointed by the Minister of Veterans' Affairs.

The current Chair is Michael Wintringham.

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.