

11 December 2013

See Distribution

MINUTES OF THE 157th MEETING OF THE CENTRAL ADVISORY COMMITTEE ON PENSIONS AND COMPENSATION (CAC) HELD ON 10 DECEMBER 2013

Present	Rt Hon Anna Soubry MP	Minister (DPWV)	Chair
	Lt Col Jerome Church (Retd)	BLESMA	
	Col Ian Waller	BLESMA	Observer
	Maj Paul Kingham (Retd)	VA&PC	
	Sue Freeth	RBL	
	Lt Col Peter Poole (Retd)	Combat Stress	
	Ros Campbell	WWA	
	Lt Cdr David Marsh (Retd)	FPS	
	Cathy Walker	SSAFA	
	Kim Richardson	NFF	
	Prof Sir Anthony Newman Taylor	IMEG	
	Tracey Vennai	Deputy Head Remunerations	
	Dr Anne Braidwood	CDP Snr Medical Adviser	
	Rob Rowntree	SPVA DVS Pensions DD	
	Dr Richard Thompson	CDP Rem AFC	
	John McCullagh	CDP Rem AFPS	
	Gp Capt Ian Pollitt	CDP Rem FAFPS	
	Lt Col Mark Pomeroy	Svcs - PS10 Pay Pens Pol-SO1	
	Capt Kevin Hood	NAVY Pers PPA DACOS	
	Wg Cdr Justine Morton	Air – COS Pers - Pol Pay Pens SO1	
	David Stevenson	Min (DPWV) Private Office	
	Smita Mehta	CDP Rem AFC	Observer
	Lydia Roberts	CDP Rem AFC	Observer
Karen Hollingdale	CDP Rem AFC	Sec	
Apologies	Cdre Andrew Cameron (Retd)	Combat Stress	
	Maj Gen John Moore-Bick (Retd)	FPS	
	Col Tony Phillips (Retd)	VA&PC	
	Gp Capt Richard Paul	Air COS Pers Pol Pay Allces DACOS	
	Air Cdre Garry Tunnicliffe	CDP Hd Rem	
	Jon Parkin	SPVA DVS	

Ser	Decisions	Action
1.	<p>Item 1 – Chairman’s Opening Comments:</p> <p>a. Tracey Vennai, Deputy Head of Remuneration, welcomed members on behalf of Min(DPWV) and conveyed the Minister’s apologies for not being able to open the meeting herself but said she would join them as soon as possible.</p> <p>b. Tracey Vennai announced that Ros Campbell of the War Widows’ Association and Lt Col Jerome Church (Retd) of the British Limbless Ex-Servicemen’s Association, who were both retiring, would be leaving the CAC having both completed 13 years. She also advised that Air Vice Marshal Tony Stables had stepped down as Chairman of COBSEO. Tracey expressed her thanks to all of them for their invaluable experience and support that would be greatly missed.</p>	

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2.	<p>Item 2 – Minutes of the 156th Meeting:</p> <p>a. The minutes of the last meeting were approved by the Committee.</p>	
3.	<p>Item 3 – Matters Arising from Previous Minutes:</p> <p>The following actions from the last meeting on 1 May 2013 were noted:</p> <p>a. CAC Review. Covered at agenda Item 4.</p> <p>b. Pensions for Live under the Armed Forces Pensions Scheme 1975 (AFPS 75). Update at agenda Item 5.</p> <p>c. IMEG Report 2012/2013 Recommendations. Professor Sir Anthony Newman Taylor advised that on 20 November he had attended an introductory meeting with Min(DPWV) who had accepted all the recommendations of the IMEG report in full. The report also strongly recommended a prospective hearing loss study. Min(DPWV) had written to the Department of Health on 26 November in response to the IMEG's recommendation that NHS supply receiver in the canal (RIC) or in the ear (ITE) digital hearing aids.</p>	
4.	<p>Item 4 – CAC Review Update:</p> <p>a. Tracey Vennai reminded Committee members of the Minister's Written Ministerial Statement and informed them that officials are working with MOD lawyers on the reclassification process. Tracey Vennai also reiterated assurances that reclassification would not affect the Committee's function or role and that the Minister would continue to chair meetings.</p> <p>b. In answer to questions from Cathy Walker and Jerome Church, Richard Thompson advised that there would be little change to the appointment of members. He said that the role of the CAC would not be part of this review and would, if necessary, be for separate discussion. In effect, the CAC would do business in the same way with continuing access to the Minister..</p>	
5.	<p>Item 5 – Pensions for Life:</p> <p>a. Discussion on this item was deferred until Minister's arrival.</p> <p>b. Min(DPWV) noted that a position paper was discussed at the last CAC meeting, and that her predecessor had directed officials to consult other Government Departments to assess the effect on other public sector schemes of any change in policy, prior to engagement with HM Treasury. The Minister advised that having undertaken that consultation, none of these schemes would support MOD making such a change.</p> <p>c. The Minister informed the CAC that HM Treasury had been approached on a low-key basis, with regard to all groups of widows, but that they had been forthright in their response and had very strongly opposed the policy proposed. This was on the grounds that it would</p>	

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	<p>breach the long-standing approach, adopted by successive Governments, that retrospective change should not be introduced where to do so would have an effect on increasing pressure on other schemes.</p> <p>d. Min(DPWV) was aware that this response would be disappointing both for the Forces Pension Society and the War Widow's Association and expected them to continue to campaign. Ros Campbell thanked the Minister and confirmed that they would continue to lobby their MPs.</p>	
6.	<p>Item 6 – Pension Aggregation:</p> <p>a. Lt Cdr David Marsh (Retd) was invited to comment. He said he was pleased that a way forward had been agreed to address the aggregation anomaly and was grateful for the change to allow Service Personnel to aggregate two periods of service in AFPS 75 and AFPS 05 from 16 December 2013.</p> <p>b. Tracey Vennai advised that this was a complex policy and legislative area and officials attention would now turn to addressing the position of cases that fell between January 2012 and December 2013 i.e. before the new legislation comes into force. A submission will be made to Min(DPWV) with recommendations on how these cases could best be dealt with. This would be done as a matter of urgency but she cautioned it may take some time to deal with each individual case affected by the issue.</p> <p>c. In answer to a question from David Marsh, Gp Capt Ian Pollitt advised that that if a person re-enters service within 5 years, any 2015 service would count towards an Early Departure Payment.</p>	<p>CDP Rem AFPS to advise Min(DPWV) on recommendations to deal with cases between Jan 12 and Dec 13</p>
7.	<p>Item 7 – Armed Forces Independence Payment Progress Update</p> <p>a. At BLESMA's request this item was deferred until later in the meeting when Minister was in attendance.</p> <p>b. Min(DPWV) noted that her predecessor had announced that the MOD and DWP would track the progress of AFIP and report on its implementation in the next Armed Forces Covenant Report. She acknowledged that it was early days but that payment had been successfully implemented and that RBL had responded to that effect. The Minister noted that BLESMA had also responded raising some concerns and were engaged with officials on these points. She invited BLESMA and other members to put forward their views.</p> <p>c. Lt Col Jerome Church (Retd) expressed the view that the disparity between the award of War Pensions Mobility Supplement (WPMS) for War Pensioner lower limb amputees and AFIP for AFCS amputees was very stark. He said that all AFCS amputees, by reason of being awarded a 50% Guaranteed Income Payment, were able to access the equivalent of DLA mobility. Whereas, under the War Pension Scheme a lower limb amputee is often assessed at 40% and unlikely to be awarded WPMS.</p> <p>d. BLESMA proposed that there should be an automatic right to WPMS for all lower limb amputees, approximately 450, under the War Pension Scheme.</p>	

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	<p>e. Richard Thompson said he would look into the proposal, compile costs for administering WPMS, including the review assessments, the numbers affected and the likely cost of awards. After consulting with BLESMA he would then submit to the Minister before the next CAC meeting.</p>	<p>CDP Rem AFCS to compile costs of automatically awarding WPMS and submit to Min(DPWV)</p>
8.	<p>Item 8 – Preventing Double Compensation</p> <p>a. Richard Thompson was invited to speak to the Committee concerning the issue of preventing double compensation within the AFCS and the WPS. He advised members that this was an opportunity to discuss the issue set out in a consultation paper that had been circulated.</p> <p>b. The issue concerned those personnel who served before and after 6 April 2005, known as ‘spanning’ cases, that can, in some instances, result in the claimant getting compensation under both schemes for the same injury. Dr Thompson said there needed to be a change to ensure the outcome was legal, fair to the claimant and to the tax payer.</p> <p>c. Richard Thompson outlined a recent appeal to the Upper Tribunal (UT) regarding deterioration under WPS and worsening under AFCS. The UT decision confirmed that current legal provisions were insufficient to prevent double compensation. If the legislation was left unchanged the UT decision would set a precedent. A proposed minor amendment to the legislation that will come into effect in April 2014 would close this loophole.</p>	
9.	<p>Item 9 – Independent Medical Expert Group (IMEG):</p> <p>a. Prof Sir Anthony Newman Taylor reiterated the Minister’s acceptance of all the IMEG Report 2012/2013 recommendations and updated the Committee on the IMEG’s work since the last CAC. A copy of his speaking notes is attached to these minutes. IMEG’s work since the last CAC has included:</p> <ul style="list-style-type: none"> - Scoping for Hearing Loss Study; the Professor hoped to report on the nature of the study at the next CAC meeting; - Infectious Diseases and their sequelae; - Non Freezing Cold Injury; - Establishing IMEG as an NDPB; - Recognised Diseases; - Musculoskeletal Disorders; - Long Term Impact of Serious Disorders; - Mild Traumatic Brain Injury. <p>b. Tracey Vennai thanked Professor Sir Newman Taylor for his update and for the important work undertaken by the Independent Medical Expert Group.</p>	
10.	<p>Item 10 – Future Armed Forces Pension Scheme Update:</p> <p>a. Ian Pollitt updated the committee on developments to the new occupational pension scheme. His presentation included assurances</p>	

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	<p>that delivery was on track for April 2015 implementation and an outline of the ongoing work strands; legal, delivery, communications, policy issues, future redundancy scheme, reserves and governance. A copy of the presentation is attached to these minutes.</p> <p>b. Ian Pollitt stated that the improved pension calculator, launched on 3 June 2013, accessible via the internet and intranet, has been highly successful with over 250,000 hits to date. The vast majority of Service Personnel could access it and there was an ongoing programme of improvements to address access for the small minority of personnel who currently could not.</p> <p>c. He went on to advise members that the next phase of consultation was planned for February/March 2014 but that the date was reliant on the legislation going through HM Treasury. Members of the CAC would be sent the AFPS 15 legislation as part of the consultation.</p> <p>d. Ian Pollitt further advised that from April 2015 pension statements would be issued on a person's birthday. Initially these would be paper copies but electronic versions may be available in the future.</p>	
11.	<p>Item 11 – Any Other Business:</p> <p>a. AFCS & WPS Stats: Kim Richardson, NFF, requested that SPVA statistics on the number of compensation claims received be made available to the CAC at every meeting, given that this was an issue frequently raised during her visits to Hasler Company. Maj Paul Kingham (Retd) of the VA&PC asked for these statistics to also include claims under the War Pensions Scheme (WPS).</p> <p>b. Rob Rowntree advised that he would be happy to provide the statistics at each meeting. By way of an update, he explained that the number of WPS claims had exceeded forecasts due to the Armed Forces redundancy scheme; the statistics for on hand cases were:</p> <ul style="list-style-type: none"> - 9,000 WPS claims - 4,000 AFCS claims <p>c. The Minister closed the meeting by thanking the members and wishing them a happy Christmas and New Year.</p>	
10.	<p>Item 10 – Date of Next Meeting:</p> <p>a. The date of the next meeting would be circulated to members in due course.</p>	

Karen Hollingdale
Secretary to the CAC