

29 January 2015

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MINUTES OF THE 159th MEETING OF THE CENTRAL ADVISORY COMMITTEE ON PENSIONS AND COMPENSATION (CAC) HELD ON 11 DECEMBER 2014

Present	Anna Soubry MP	Minister of State for Defence Personnel, Welfare and Veterans (DPWV)	Chair
	Air Cdre Garry Tunnicliffe	Head of Remuneration, MOD	
	Trish Wilson	Deputy Head Remuneration	
	Jon Parkin	Head of Defence Business Services Veterans UK, MOD	
	Kim Richardson	Naval Families Federation (NFF)	
	Irene Wills	War Widows Association (WWA)	
	Maj Gen (Retd) John Moore-Bick	Forces Pensions Society (FPS)	
	Brig (Retd) Barry Le Grys	BLESMA	
	Col (Retd) Tony Phillips	Veterans Advisory & Pensions Committee (VA&PC)	
	Lt Col (Retd) Peter Poole	Combat Stress	
	Nick Donovan	Royal British Legion (RBL)	
	Prof Sir Anthony Newman Taylor	Independent Medical Expert Group (IMEG)	
	Dr Anne Braidwood	CDP Senior Medical Adviser	
	Andrew Bates	Rem AFC, MOD	
	John McCullagh	Rem AFPS, MOD	
	Gp Capt Justine Morton	Rem FAFPS, MOD	
	Capt Chris Skidmore	Royal Navy Pay Colonel	
	Col John Ridge	Army Pay Colonel	
	Gp Capt Richard Paul	Royal Air Force Pay Colonel	
Angela Owen	Rem AFC, MOD	Sec	
Apologies	Sue Freeth	Royal British Legion	
	Cathy Walker	Soldiers, Sailors, Airmen and Families Association (SSAFA)	

Ser	Decisions	Action
1.	<p>Item 1 – Chairman’s Opening Comments:</p> <p>a. Min (DPWV) welcomed members to the 159th meeting.</p>	
2.	<p>Item 2 – Minutes of the 158th Meeting:</p> <p>a. Two changes to the minutes raised by Hugo Fletcher (FPS) and Jon Parkin (DBS) were accepted.</p> <p>b. The minutes of the last meeting were approved by the Committee.</p>	
3.	<p>3 – Matters Arising from Previous Minutes:</p> <p>The following actions from the last meeting on 16 July 2014 were noted:</p>	

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	<p>a. Pension Aggregation. John McCullagh advised letters had been sent to individuals notifying them of the changes. The legislation would take effect on 17 December and the response rate to the letter had been very good. Forces Pensions Society had put information on their website.</p> <p>b. Pensions for Life. Min(DPWV) summarised the decision taken on Pensions for Life , which had been announced on 8 November. Irene Willis and John Moore-Bick said that they were very pleased with the success of their campaigns.</p> <p>c. War Pension Mobility Supplement. An update is at agenda Item 6.</p> <p>d. DBS Operational Report. This was circulated on 18 July 14.</p>	
4.	<p>Item 4 – Armed Forces Pension Board:</p> <p>a. Gp Capt Justine Morton updated the Committee on the new Armed Forces Pensions Board. There had been much progress made in this area. The Pensions Board would be responsible for scheme compliance and would be headed up by a Non-Executive Director, Mr Robert Brenan, who had much experience in this area including previous Pensions experience.</p> <p>b. Additionally, Pension Board members, who consisted of seven employer and seven employee representatives, including FPS, Forces Families Federation and RBL had accepted an invitation to be part of the Pension Board. There would be some news on the Board published on the pension website.</p> <p>c. Pension Board training had begun and a Shadow Pension Board had been arranged for 4 February 2015, with the inaugural Pension Board scheduled for May 15. Min (DPWV) thanked Gp Capt Justine Morton, John McCullagh and John Moore-Bick for their service and their contribution to the Central Advisory Committee.</p>	
5.	<p>Item 5 – Central Advisory Committee going forward:</p> <p>a. Andrew Bates updated the Committee on the forthcoming changes to the remit of the CAC. With the advent of Armed Forces Pensions Board from May 15, the CAC would be concerned solely with compensation-related issues.</p> <p>b. The second change would be from Non Departmental Public Body (NDPB) to Stakeholder Group, to better reflect the way the CAC operated. He explained that the Cabinet Office guidance for Government Departments state key characteristics of Stakeholder groups were:</p> <ul style="list-style-type: none"> • To consult and hear the views and concerns of organisations in sector, which in the CAC’s case were members of charitable/ex Service organisations. 	

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	<ul style="list-style-type: none"> • Attendees are representatives of Organisations. • Lifespan of the Committee is open ended. • Committee does not employ staff, but is supported by Civil Servants. <p>The CAC would continue to be chaired by a Minister. The existing Terms of Reference for the CAC dating from January 2013 largely remained relevant. However, updated terms of reference to reflect the Stakeholder Group status would be circulated to members in the New Year.</p>	<p>Action: Sec to send updated terms of reference to members.</p>
6.	<p>Item 6 – War Pensions Mobility Scheme:</p> <p>Barry Le Grys recapped on the proposal made by BLESMA for the War Pensions Mobility Supplement (WPMS) to be made available automatically to all lower limb amputees. Andrew Bates informed the Committee that officials had been looking at eligibility within this category, and this had included seeking the advice of Dr Anne Braidwood, Chief of Defence Personnel’s Medical Adviser.</p> <p>a. Dr Braidwood informed the Committee that the evidence following a review of literature had confirmed that over time from amputation, lower limb amputees assessed at 40% or more disablement would normally suffer worsening mobility. This represented more than a doubling of probability that any such pensioner would merit a WPMS award. She proposed that on the basis of these facts we could recognise a change of medical opinion and MOD could presume that the WPMS eligibility criteria were met by all lower limb amputee claimants assessed at 40% or more from April 2015.</p> <p>b. The Minister was grateful for the work on this and asked policy officials for prompt further advice to conclude the matter.</p>	<p>Action: Rem AFC AHd to provide advice to Min(DPWV).</p>
7.	<p>Item 7 – Mesothelioma Update:</p> <p>a. Prof Sir Anthony Newman Taylor informed the Committee that the Independent Medical Expert Group (IMEG) had considered mesothelioma, (an asbestos-related disease) reminding the Committee that as claimants would have been exposed to asbestos many years ago they would be compensated under the War Pensions Scheme.</p> <p>b. Sir Anthony explained that the Mesothelioma Act (2014) had been established to meet claims from those whose employer at the time of exposure no longer existed. Its awards were lump sum payments related to age at diagnosis. The average payment was £130,000, which was funded by insurance company levy.</p> <p>The War Pensions Scheme income stream awards to claimants could be up to £32,000 per annum and in addition provided dependent’s benefits. Under the Mesothelioma Act awards were made to the sufferer or dependents, not both. Under the WPS, when combined the WPS disablement award and dependent’s benefits would likely exceed the</p>	

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	<p>payment under the Act. Notwithstanding this, given the short life expectancy of sufferers the feasibility of commutation of the income stream was an option that the Department might consider. This might address the Legion's concern that the poor prognosis meant that for single veterans with mesothelioma the war pension would be in payment for just about a year.</p> <p>Sir Anthony outlined the factors taken into account in their report and confirmed that the IMEG advice to Minister on mesothelioma would be finalised shortly.</p> <p>Andrew Bates informed the Committee that information provided by Sir Anthony would inform policy advice to Minister. Min(DPWV) asked that this should be done as soon as possible.</p>	<p>Action: Rem AFC AHd to consider IMEG Report and provide policy advice to Min(DPWV).</p>
8.	<p>Item 8 – Independent Medical Expert Group (IMEG):</p> <p>a. Sir Anthony informed the committee that IMEG was presently finalising sections of their third report. Topics included: The AFCS approach to Infectious diseases and sequelae in recent deployed service; Non-freezing cold injury; Blast Injury of lower limbs comparing amputation with limb retention and reconstruction; Sequelae of lower limb amputation - cardiovascular and non cardiovascular effects; Mesothelioma; and as potential Recognised Diseases - Testicular cancer; Diabetes mellitus type 1 and 2 and The leukaemias.</p> <p>Min (DPWV) thanked the IMEG for their work which continued to ensure that the AFCS reflected the latest thinking on injuries and diseases that might impact on Service personnel.</p>	
9.	<p>Item 9 – DBS Veterans UK Update:</p> <p>a. Jon Parkin referred to the HCDG Report published in October 2014 which had been critical of processing times for compensation claims. He explained that under the Boyce review 11,500 cases had been investigated which meant staffing resources had been diverted from business as usual.</p> <p>b. He also briefed the Committee on the average waiting time for AFCS claims which was currently four months, with 15,000 cases received in 2014. The average waiting time for WPS was five months, for which 18,500 cases were received in 2014 and 7,800 cases were on hand. Recent extra resources had included new doctors and temporary staff.</p> <p>c. Kim Richardson, NFF, raised concerns that individuals had been medically discharged from the Services while waiting for their compensation claims to be confirmed. Jon Parkin said that DBS prioritised these cases working closely with the Single Services to ensure individuals left the Services with the awards they were entitled to.</p>	

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	<p>d. Kim Richardson also commented on the availability of information about PAX insurance and some long outstanding cases. Andrew Bates offered to provide some material for the Naval Families Federation magazine and to bring the two long-outstanding cases to the attention of the PAX manager.</p> <p>Min(DPWV) commented that we should do everything we could for individuals who had been medically discharged and thanked Kim Richardson for the points she had made, and reiterated that it was very important that families were reassured.</p>	<p>Action: Rem AFC AHd to provide information to NFF on the provision under PAX Insurance and raise two cases with the PAX manager.</p>
10.	<p>Item 10 – Compensation and Insurance cover for deployed forces:</p> <p>a. Andrew Bates was invited to talk about Compensation and Insurance cover for deployed Forces. He said that recent deployments had prompted some interest in the insurance cover available to Service personnel.</p> <p>He explained that MOD has arrangements with two providers for the provision of personal accident and life insurance products. These were for personal accident insurance, which was intended to cover accidents, and life insurance which was intended to cover death.</p> <p>While these were policies which Service personnel could choose to purchase, there were other elements that the Department had in place where an accident, injury or disease was caused by service, including medical care and the Armed Forces Compensation Scheme, under which claims could be made for injury or illness.</p> <p>Service personnel, including those deploying on operations, were briefed on these arrangements for their reassurance.</p>	
11.	<p>Item 11 – Any Other Business:</p> <p>a. <u>Up-rating compensation payments using the “triple lock”</u>. Nick Donovan, RBL, asked the Minister to consider moving from the Retail Price Index to the Consumer Price Index for the up-rating of compensation payments. It was agreed that Trish Wilson, Deputy Head Remuneration, would arrange a meeting to discuss the matter with RBL.</p>	<p>Action: DHd Rem to meet RBL.</p>
12.	<p>Item 12 – Date of Next Meeting:</p> <p>a. The date of the next meeting would be circulated to members in due course.</p>	

Angela Owen
Secretary to the CAC