

# REVIEW OF THE CENTRAL ADVISORY COMMITTEE ON PENSIONS AND COMPENSATION

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## SUMMARY

1. The Central Advisory Committee (CAC) is a statutorily-established advisory committee which has traditionally been concerned with compensation arrangements, in the form of the War Pension Scheme, available to ex-service personnel and their dependants, and associated issues including health and welfare matters.
2. A review of the CAC has been undertaken to examine whether the function provided by the committee is being delivered effectively by the most appropriate people and to see that its role and focus are still appropriate. The review was put in hand following the June 2007 meeting of the CAC. Alongside the fundamental issues of validity, role and composition of the committee, the Ministry of Defence has acknowledged that there is scope to improve the consultative mechanism on pensions and compensation issues, particularly with serving personnel, and this has also been a guiding factor in the review.
3. The review has involved consultation with existing CAC members and other stakeholders. The Under Secretary of State for Defence made clear at the outset that, so far as possible, the review should be a consensual process. Perhaps unsurprisingly, consideration of the committee's future membership revealed some significant divergence and contradiction in views. Although it would not be expected that every opinion could be accommodated within an effective review, in most cases at least some aspects of what those consulted saw as important do feature in the recommendations. That most of those involved in the committee held strong views on how it could be improved is itself indicative that a review was timely and appropriate and, in broad terms, issues such as the committee's future existence and purpose have received almost universal agreement.
4. The review recommendations are intended to clarify and enhance the work of the CAC and to make it a more representative organisation, taking account of the current pension and compensation schemes and the existence of related organisations and structures.
5. The review has covered a range of issues under four headings. The key recommendations are summarised below.

### Role of the Committee

6. There is a valid and necessary role for the CAC but it should be re-focused to deal with service pension and compensation policy issues to improve its effectiveness, and be developed to provide a more credible and visible consultative mechanism. The committee should stop dealing with issues of wider concern to veterans, for which other forums exist. The committee should also refrain from routine involvement in issues of scheme operation and delivery where, again, more appropriate mechanisms are in place. A single Terms of Reference document should be developed and published, and the existing practice of referring to the CAC as the "Central Advisory Committee *on War Pensions*" should cease, with reference to "War Pensions" being replaced by "Pensions and Compensation". See pages 3 - 5.

## Function of the Committee

7. The CAC should continue to function through twice yearly meetings chaired by the Under Secretary of State for Defence, but the number of planned engagements of the committee should increase to two other occasions during the year. The nature of these additional engagements should be driven by the business of the committee and might take the form of a meeting of members, educational workshop, written consultation document/information update, or notification that there is no new business. Additionally, it may be necessary to take business out of committee, as happens at present. See page 5.

8. To provide a widely accessible mechanism for more individual service personnel, veterans and dependants to engage with pensions and compensation scheme issues, it is recommended that the use of the existing CAC internet pages be developed. See pages 5 & 6.

## Membership of the Committee

9. It is recommended that the appointments process shift in emphasis towards the posts that individuals hold. See page 6.

10. The membership needs to reflect the role of the committee and should be broadly representative of those affected by non-devolved pensions and compensation scheme issues. For the external members, this will mean a shift in emphasis in the appointments process, a rationalisation to provide a better balance of stakeholder organisations and the introduction of broader interest groups. Similarly, the re-focus in role will mean a rationalisation of officials involved in the meetings, along with the introduction of in-service representation. See pages 6 - 8.

## Future opportunities and other issues for further consideration

11. Two issues have been identified for future development, both of which relate to making the CAC more outward looking. First, developing relationships with external bodies that are involved in similar or related work to build on best practice in, for instance, developing the evidence base for decisions under the compensation schemes. Second, the possibility that an independent pensions expert, unconnected to the service schemes, could bring a valuable and fresh view to policy development work for the occupational and possibly the compensation schemes. Some difficulties may however exist with increasing the size of an already large committee and also with the potential one-way nature of such a relationship. See page 8.

12. It is important that the changes resulting from this review are not seen as conclusive. There are areas where further development can be anticipated and, inevitably, issues will arise that are unforeseen; continuing future review of the CAC will be necessary to maintain its effectiveness and credibility.

13. The review team are grateful to all those involved in the review, both existing committee members and others with an interest in the CAC, for the time and support they have given to this work.

## REVIEW

*In this report, references are made to the beneficiaries of service pension and compensation schemes, i.e. serving personnel, veterans and dependants. Various terms are used which reflect the issue or scheme in question; generally these are given in a brief form such as “War Pensioners”. Often though it will be obvious that the point applies to War Widows and/or to dependants too, and this should be taken to be the case.*

### Background

14. This review of the Central Advisory Committee (CAC) was required to examine whether the committee remains necessary and to establish whether the function provided is being delivered effectively by the most appropriate people and that its role and focus is still appropriate.

15. Consideration was given to whether the CAC is focussed on delivering advice on pensions and compensation matters as effectively as it might. Also, in responding to parliamentary comment that more should be done on the consultation which precedes amendments made to service pension and compensation schemes through secondary legislation, the Ministry of Defence has recognized that there is scope to improve the consultative mechanism with personnel on pension and compensation scheme issues generally.

16. The CAC was established under primary legislation<sup>1</sup> governing war pensions in the following terms (as amended):

“... the Minister shall constitute a central advisory committee consisting of officers of the ministry (local and central), ex-servicemen and at least one person from one of the committees under section 25 of the Social Security Act 1989 and for the time being in existence to consider such matters as may be put before them for their advice.”

(The committees referred to under section 25 etc are the War Pensions Committees.)

17. In recent years the CAC has been administered as an advisory Non-Departmental Public Body and as such its external members have been appointed on the basis of individual merit, following guidance provided by the Office of the Commission for Public Appointments. Within these arrangements, the CAC is classed as a “lower tier body” and the members do not receive fees. Appointments for the previous membership ended in December 2007 and March 2008.

### Role of the Committee

18. As indicated by its statutory origins, the CAC has traditionally been concerned with compensation arrangements in the form of the War Pension Scheme, and issues

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<sup>1</sup> War Pensions Act 1921

surrounding that, including health and welfare matters. The committee has provided a formal mechanism for those concerned with War Pensioners and their dependants to influence these issues and to bring their concerns direct to the government.

19. In practice, the range of the CAC's interest has been quite wide and flexible. In the absence of other appropriate mechanisms to engage, it has made good sense for government, officials and the external representatives to use the committee to cover areas of concern and interest that extend, first, beyond the direct scope of the War Pensions Scheme but which are important to War Pensioners and, second, beyond the scope of War Pensioners but which are important to either the wider veterans community or to serving personnel.

20. However, following the launch of the Veterans Initiative and its maturation into the Veterans Programme, other forums have been developed over recent years that are specifically placed to engage with the veterans community and which are cross-cutting in their government involvement. To avoid a duplication of business and to help keep issues contained in the most appropriate forums, **it is recommended that the scope of the CAC is focused on to service pension and compensation issues only (1.1).**

21. Ensuring adequate consultation with in-service personnel on their pension and compensation schemes is an area in which the Ministry of Defence has recognized<sup>2</sup> that there is scope for improvement. Parliament has commented on the consultation that precedes amendments to the schemes that are made through secondary legislation. In terms of the schemes that the CAC is concerned with, its coverage was extended in 2004 to include the Armed Forces Compensation Scheme (AFCS)<sup>3</sup>. The CAC therefore already provides a consultation mechanism for the compensation schemes and, with appropriate changes to the membership, it could do so for the occupational schemes too. There are existing arrangements in place for in-service consultation which primarily involve engaging with the Principle Personal Officer staffs, in the form of the Service Pay Colonels. There is also consultation with the Forces Pension Society, a group that campaigns and undertakes casework in connection with the service occupational pension schemes. Broadly, these arrangements work well and it would make sense to make them more structured by drawing them into the CAC. **It is recommended that the role of the CAC be developed to provide a more credible and visible consultative mechanism for both the compensation and occupational pension schemes (1.2).**

22. The CAC has had an interest in the operation of the Service Personnel and Veterans Agency (previously the Veterans Agency and War Pensions Agency) in terms of delivery of benefits and welfare services. The Agency however has properly developed its own detailed governance arrangements. A Customer Advisory Group exists to advise on prioritisation and quality of services and is supported by working groups focussed on veterans and in-service personnel. The veterans working group is itself supported by the network of War Pensions Committees. Some overlap of interest between policy and delivery issues is probably inevitable and is not

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<sup>2</sup> For detailed information on Parliament's comments and MOD's response, see the House of Lords Merits of Statutory Instruments Committee – Twenty Ninth Report 2005/6 and Forty Ninth Report 2005/6, and detailed MOD paper October 2007.

<sup>3</sup> So far as those who are members of a War Pension Committee are concerned, their position with AFCS is a personal one as AFCS (and AFPS) are outside the scope of the WPCs.

necessarily undesirable but essentially the nature of a ministerial-chaired committee such as the CAC should be at a policy level. To avoid a duplication of business and to help keep issues contained in the most appropriate forums, **it is recommended that the CAC should refrain from routine involvement in issues of scheme operation and delivery (1.3).**

23. The Terms of Reference for the CAC currently exist in a number of separate documents, notably: the 1921 legislation, the last review report of the committee conducted in 2001, and the minutes of committee meetings. Developing and publishing a single Terms of Reference document would improve the understanding of the role and scope of the committee; both for the members themselves and certainly for those outside with an interest in the work of the committee. A *draft* Terms of Reference which frames the committee in light of this review is attached at Annex B. It will be for the re-formed committee to finalise the document. To ensure that the role and scope of the committee is well understood, **it is recommended that a single Terms of Reference document for the CAC be developed and published (1.4).**

24. Because of its origins, the CAC is often referred to as the “Central Advisory Committee on War Pensions”. To more accurately reflect the new role of the committee, **it is recommended that the CAC be referred to as the “Central Advisory Committee on Pensions and Compensation” (1.5).**

#### Function of the Committee

25. The CAC presently functions through twice yearly meetings and out of committee correspondence. The nature of developing and consulting on pension and compensation policy issues is such that it might well be possible to reduce the number of formal meetings to once per year and to concentrate on out of committee work. However, considerable reservations were expressed about the effectiveness of such an approach during initial consultations from both existing members and other interested parties. It was also noted that meeting less often will not encourage a group from quite different backgrounds, such as the CAC, to form an identity and collective understanding. Further, it is now felt that increasing the number of ‘engagements’ of the committee would be appropriate. These engagements, which would not normally directly involve the Chair, would plan to take place on two other occasions in the year and might take the form of a meeting of members, educational workshop, written consultation document/information update, or notification that there is no new business. Nevertheless, it will remain the case that some business would likely need to be taken outside of these arrangements too, for instance where there is a need for urgency or to maximise a consultation period. **It is recommended that the CAC should continue to function through twice yearly meetings and out of committee business as required (2.1). It is recommended that there should be engagements of the CAC membership on two other occasions during the year (2.2).**

26. For the committee to act as an effective consultative body, it needs first to be broadly representative of those affected by the issues that it considers and this is discussed under ‘Membership’ below. But this can only go so far; it needs too to be accessible and transparent to individuals. A webpage already exists, which details the purpose and membership of the committee and where minutes of meetings are

available. The use of this facility should be extended to allow anyone with an interest to engage in consultation exercises, by routinely posting consultation material and the contact details of the individual or team co-ordinating the exercise. **It is recommended that the use of the existing CAC internet pages be developed (2.3).**

### Membership of the Committee

*The Ministry of Defence is currently undergoing a Streamlining programme that aims to clarify and simplify the way the Department operates. The programme will see very significant changes in the way the head office is staffed and functions. While it is too soon to understand how this process will affect the CAC, some account has been taken of it in the following section. For instance, it is not known if the Director Service Personnel Policy Pensions post will continue to exist but there will still be a senior official responsible for service pensions policy issues and so that terminology is used.*

27. The membership needs to reflect the role of the committee and be broadly representative; i.e. to include perspectives from the Service personnel, veterans and dependants who are affected by the pensions and compensation schemes within its scope.

28. A closely related issue is the basis on which members are appointed. The internal members are appointed on an ex-officio basis because of the posts that they hold. The basis for appointing external members at present is individual merit. However, in practice, it is clear that these members also bring much of their expertise, experience and views as a result of the organisations that they work for and this is quite appropriate to a policy advisory and consultation body. Moving towards appointments based on the posts that individuals hold need not entirely exclude individual merit as a consideration in the process. A 'nominating body' process for the external appointments would involve identifying a group of organisations to whom appointments would be available on the committee. The groups are then asked to nominate potential members (at least two from all but the smallest organisations) so that the Minister may make the final choice, in line with the Code of Practice for Ministerial Appointments to Public Bodies.

29. **It is recommended that the CAC appointments process for all members shift in emphasis towards the posts that individuals hold and that external members generally be appointed using a 'nominating body' process (3.1).**

30. For the external membership (ex-service organisations and WPCs), simply moving existing members to a representative arrangement would result in an imbalance in the organisations involved. Therefore, two appointments would be available on the committee to the network of War Pensions Committees (WPCs), and one each to a number of ex-service organisations.

31. For the ex-service organisations, it is necessary to identify those most appropriate to provide a representative view from across the ex-service community, without becoming unmanageable in size. It is proposed that at present these would be Royal British Legion, Soldiers, Sailors, Airmen and Families Association, War Widows Association, British Limbless Ex-Servicemen's Association, Ex Service Mental

Welfare Society (Combat Stress) and the Confederation of British Service and Ex-Service Organisations. The first five of these already have representatives who sit on the committee in their individual capacity and, as organisations, they provide a cross section of the veterans groups most affected by the service pension and compensation schemes (i.e. larger organisations and organisations with particular focus on those injured in connection with service). The final group, the Confederation of British Service and Ex-Service Organisations, are not directly represented at present. Their inclusion would provide a link to the many other veterans' organisations that exist, allowing a clear route for them to raise matters of concern with the CAC. The number/distribution of these and other appointments might be reviewed in the longer term, in line, say, with general reviews of the committee. These appointments (ex-service organisations and WPCs) must include ex-service persons.

**32. It is recommended that two appointments be available on the CAC to the network of WPCs and one each to up to six ex-service organisations (RBL, SSAFA, War Widows Association, BLESMA, Combat Stress and COBSEO) subject to the condition that these appointments include ex-service persons (3.2).**

33. Similarly, a re-focus in role will mean a rationalisation in the number of officials involved in meetings. With a move away from general veterans issues and matters of scheme operation and delivery, there will be less requirement for representatives to routinely be present to cover those issues. In addition to the secretariat, one ex-officio appointment would be made to each of the following: an official responsible for pensions policy, an official from the delivery agency, and one other, likely a specialist/medical representative. At present these would be the Director of Service Personnel Policy Pensions, Director of Veterans Services – SPVA, and Director of Service Personnel Policy Medical. **It is recommended that one appointment each be made on the CAC to an official responsible for pensions policy, an official from the delivery agency, and a specialist official (3.3).**

34. In-service and broader occupational pensions experience would also be required on a reconfigured committee. In fact, although alternative ad-hoc arrangements are in place for in-service consultation, the introduction of the Armed Forces Compensation Scheme, which (unlike the War Pension Scheme) may make payments to individuals while they are still serving, already makes a powerful case for a more formal procedure.

35. There is a potential challenge in identifying those most appropriate to advise on policy matters and to provide a representative view from across the ranks of the in-Service community. A recent MOD paper on consultation in relation to Statutory Instruments<sup>4</sup> discusses in particular the second of these points in further detail. (See also para 40) However, staff in the Principal Personnel Officer (PPO) areas already have related responsibilities and experience in pension and compensation matters. They are therefore very well placed to provide advice and act in a consultative way, drawing on the chain of command approach as appropriate. Further, the existing global communications arrangements which are available can be supplemented with the increased use of the CAC webpage for individuals to find more information and make direct responses to consultation exercises. One ex-officio appointment each

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<sup>4</sup> Consultation and the Ministry of Defence October 2007

should therefore be made to OF5 rank officers (Captain (RN), Colonel, Group Captain) from the three Armed Services; at present these would be the three Service Pay Colonels.

36. A single appointment would be available for a service occupational pensions representative organisation. It is proposed that this should be, in the first instance, the Forces Pension Society (FPS). **It is recommended that three appointments be made on the CAC to in-service representatives from the PPO areas and one to a service occupational pensions representative organisation (FPS) (3.4).**

37. Consideration has been given to whether there should be representation from the regions/devolved administrations. The existing position is clouded because there appears to be regional representation, particularly when one looks at the existing War Pensions Committees (WPC) members. In fact, for the most part, this simply reflects the individual's appointment on merit, the fact that they happen to sit on a particular regional WPC is largely irrelevant (hence there are WPC members from Scotland and Northern Ireland but not Wales). Two WPC representatives from outside the United Kingdom attend as observers. For all of these, the specific allocation of appointments for two WPC members will ensure that the ability to raise matters of concern to the CAC is retained. The devolved administrations are already involved in the Veterans Programme to cover wider veterans affairs which may have a devolved dimension. Since pensions policy issues are national in their nature, **it is recommended that there is no requirement for representation from the regions/devolved administrations on the CAC (3.5).**

38. An indication of the proposed membership structure is included in a draft Terms of Reference at Annex B.

#### Future opportunities and other issues for further consideration

39. Developing relationships with external bodies that are involved in similar or related work has been suggested as a way to build on best practice in, for instance, developing the evidence base for decisions under the compensation schemes. The possibility has been suggested that an independent pensions expert, unconnected to the service schemes, could bring a valuable and fresh view to policy development work for the occupational and possibly the compensation schemes. Some difficulties may however exist with increasing the size of an already large committee and also with the potential for such a relationship to be quite one-way in nature, however, **it is recommended that suggestions for making the CAC more outward looking be further explored (3.6).**

40. The possibility of including more junior/broader in-service representation on the committee was raised during consultation. Although the recommended approach described at paragraphs 35 and 36 is still appropriate, it is considered that there is merit in this proposal and it is therefore **recommended that broader in-service representation is considered for the future (3.7).**

### **CAC REVIEW – SUMMARY OF RECOMMENDATIONS**

1.1	It is recommended that the scope of the CAC is focused on to service pension and compensation issues only.
1.2	It is recommended that the role of the CAC be developed to provide a more credible and visible consultative mechanism for both the compensation and occupational pension schemes.
1.3	It is recommended that the CAC should refrain from routine involvement in issues of scheme operation and delivery.
1.4	It is recommended that a single Terms of Reference document for the CAC be developed and published.
1.5	It is recommended that the CAC be referred to as the “Central Advisory Committee on Pensions and Compensation”.
2.1	It is recommended that the CAC should continue to function through twice yearly meetings and out of committee business as required.
2.2	It is recommended that there should be two further engagements of the CAC membership during the year.
2.3	It is recommended that the use of the existing CAC internet pages be developed.
3.1	It is recommended that the CAC appointments process for all members shift in emphasis towards the posts that individuals hold and that external members generally be appointed using a ‘nominating body’ process.
3.2	It is recommended that two appointments be available on the CAC to the network of WPCs and one each to up to six ex-service organisations (RBL, SSAFA, War Widows Association, BLESMA, Combat Stress and COBSEO) subject to the condition that these must include ex-service persons.
3.3	It is recommended that one appointment each would be made on the CAC to a senior official from the pensions policy area, a senior official from the delivery agency, and a specialist official.
3.4	It is recommended that three appointments on the CAC be made to in-service representatives from the PPO areas at OF5 level and one to a service occupational pensions representative organisation (FPS).
3.5	It is recommended that there is no requirement for specific representation from the regions/devolved administrations on the CAC.
3.6	It is recommended that suggestions for making the CAC more outward looking be further explored.
3.7	It is recommended that broader in-service representation is considered for the future.

## **CAC REVIEW – DRAFT TERMS OF REFERENCE**

*It will be for the re-formed committee to finalise this document*

### **Central Advisory Committee on Pensions and Compensation**

The committee was established under primary legislation governing war pensions in 1921 in the following terms (as amended):

“... the Minister shall constitute a central advisory committee consisting of officers of the ministry (local and central), ex-servicemen and at least one person from one of the committees under section 25 of the Social Security Act 1989 and for the time being in existence to consider such matters as may be put before them for their advice.”

(The committees referred to under section 25 etc are the War Pensions Committees.)

The remit of the committee now is to act as a policy advisory and consultative body for service pension and compensation issues.

#### **Role**

The role of the committee is to provide: advice on policy issues affecting all the service pension and compensation schemes; and a credible and visible consultative mechanism for the service pensions and compensation schemes.

The committee does not advise on issues of wider concern to veterans or service personnel, for which other forums exist, or routinely become involved in issues of scheme operation and delivery where, again, other mechanisms are in place.

#### **Function**

The committee functions through twice yearly meetings, chaired by the Under Secretary of State for Defence, and correspondence out of committee. In addition, there are two other planned engagements during the year. The nature of these additional engagements is driven by the business of the committee and might take the form of a meeting of members, not usually involving the Chair, educational workshop, written consultation document/information update.

Details of the committee membership and minutes of meetings are made available on the committee's webpage. Consultation exercises under the committee's interest may also be publicised in this way.

#### **Membership**

Chair:  
Under Secretary of State for Defence

Members:

Two members of the network of WPCs\*.

A minimum of one and a maximum of six appointments are available to ex-service organisations (RBL, SSAFA, War Widows Association, BLESMA, Combat Stress and COBSEO)\*.

One senior official from the pensions policy area.

One senior official from the pensions delivery agency.

One other official appointment is available; if filled, it will likely be a specialist / medical representative.

Three in-service representatives from each of the Principal Personnel Officer areas.

One appointment is available to a service occupational pensions representative organisation (FPS) .

Secretariat.

Internal appointments are managed on an ex-officio basis. External appointments are managed on a 'nominating body' basis; i.e. organisations which have been identified as able to provide a relevant perspective are asked to nominate potential members (at least two from all but the smallest organisations) so that the Minister may make the final choice, in line with the Code of Practice for Ministerial Appointments to Public Bodies. In both cases, members are expected to attend meetings personally but may exceptionally be represented by another individual from their organisation.

Appointment length tbc

Amendment

The Terms of Reference may be amended at any time; a member or the chair may propose a change and the chair will usually hear views before deciding the amendment. The chair has the final decision.

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\* These members must include ex-service persons, as required in the legislation that established the Committee.

## DRAFT

**CAC REVIEW - SUMMARY OF INITIAL CONSULTATION RESPONSES**

To inform the review of the Central Advisory Committee (CAC), existing committee members and other stakeholders were invited to submit their views. The views of a little over 20 'consultees' are summarised – the numbers given should be taken as indicative only - not every point is covered and there is sometimes an element of interpretation in the comments.

**Role of the CAC**

One felt that the CAC had no role; however the alternative suggested, that the War Pensions Committees could perform the work, did not offer a practical method to engage on the existing schemes.

Three felt that the scope of the CAC should cover all/cross government veterans issues; however this does not take account of the work of the Veterans Programme.

20 felt that the CAC should focus on service pension and compensation schemes; and this is supported by the ongoing need to engage on the schemes.

**Function of the CAC**

Three felt that one meeting per year would suffice. 13 felt that one meeting was too few and five of these favoured additional meetings or engagements in various forms; and this is supported by the need to develop committee identity and understanding.

Four felt that formal Terms of Reference should be established for the CAC; and this is supported by the need to clarify existing and future arrangements.

**Membership of the CAC**

11 felt either that all or the majority of appointments should be on merit. Five felt appointments should be tied to posts; and this supports a broadly representative approach. Appointment on merit suits perfectly bodies that wish to draw on a broad range of experience but the CAC needs to be able to act as a consultative body.

Eight felt that in-service/occupation pensions experience was required if the role of the committee includes appropriate schemes; and this supports a broadly representative approach.

12 felt that representation of the ex-service organisations was unbalanced/too strong; the 'imbalance' is a reflection of the individual appointments process and would be rationalized by a move to appointments more clearly tied to post; the number of ex-service organisation appointments are a reflection of the range of perspectives involved. Some felt too that the ex-service organisations' representatives were not sufficiently familiar with the detail of the schemes; clearly there is a balance to be struck between the need for in-depth knowledge, seniority and a strategic approach. Moving to a nominating body approach should allow the most appropriate candidate from organisations which are broadly representative of those affected by the schemes to be selected.

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Three felt that that regional representation was important. 11 felt that regional representation was not essential and this is supported by the national, non-devolved, nature of the schemes, although a regional perspective could still be reflected through the two WPC appointments, drawing on the network of WPCs.

Other items

One felt that relationships should be developed between the CAC and external bodies that are involved in similar or related work. Similarly, one felt that involving an independent pensions expert could bring something of value to the committee. Both of these views are considered to be worth further consideration.

DRAFT  
**CAC REVIEW – ANALYSIS OF PREVIOUS BUSINESS**

To support the review of the Central Advisory Committee (CAC), an analysis of the main issues discussed in meetings from the last five years is given below. The categorisation of issues should be taken as indicative only as not every point discussed is covered and there are overlapping elements to many of the issues. Points made only in the Minister's opening address are not included.

	<b>War Pension Scheme</b>	<b>Other pension &amp; compensation issues</b>	<b>Wider veterans issues</b>	<b>Reports</b>	<b>Admin</b>
June 07	WPS review War Pension annual uprating	Welfare visits to pre/post 73 War Widows  Impact of the Welfare Reform Bill	Access to mental health care  Welfare for Royal Irish Regiment vets & families  Veterans Day and communications  Mentoring for vulnerable Service leavers	VA Report  War pensions policy report  WPC Report	CAC Review
December 06		Terminology for War Pension Welfare Service  AFCS first year review  Awareness	Local authority disregards  Welfare for Royal Irish Regiment vets & families	VA Report  War pensions policy report  WPC Report	
June 06		Terminology for AFCS beneficiaries  AFCS first year review  Welfare visits to pre/post 73 War Widows	Welfare for Royal Irish Regiment vets & families  Support for War Widows on discharge from hospital  Communications  Post Office Card accounts  Local authority disregards  Disability Living Allowance Claim forms	VA Report  War pensions policy report  WPC Report	

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December 05	Rates for travel costs to medical examinations	Terminology for AFCS beneficiaries AFCS policy statements and first year review plans Awareness	Local authority disregards Support for War Widows on discharge from hospital Priority treatment in NI	VA Report War pensions policy Report WPC Report	AFPAA/VA merger
June 05	Rates for travel costs to medical examinations	Terminology for AFCS beneficiaries	Local authority disregards Support for WW on discharge from hospital	VA Report War pensions policy Report	AFPAA/VA merger Report on the future of War Pensions Committees
December 04	Retention of WWA for pre-73 War Widows Rates for travel costs to medical examinations	Future role of Welfare Service	Local authority disregards Order book/direct payments Appeal funding	VA Report War pensions policy Report	CAC role under AFCS
June 04	WPS / AFCS transitional arrangements	Future role of Welfare Service	Local authority disregards Communications	VA Report War pensions policy report	CAC role under AFCS
December 03	PAT - Travel costs from ROI Rates for travel costs to medical examinations	AFCS IT support AFPS attributability Overseas funeral grants	Veterans awareness Local authority disregards	VA Report War pensions policy report	
June 03	PAT - Travel costs from ROI	Overseas funeral grants	Local authority disregards Veterans awareness Digital hearing aids	VA Report War pensions policy report	
December 02	PAT finding in Rusling case and Gulf veterans access to WPS	Overseas funeral grants	Veterans Initiative and awareness Communications	VA Report	Report on function of the War Pensions Committees

### Final Consultation Comments and Responses

What follows is a summary of the views received on a draft version of this report – it has been necessary to condense and in some cases interpret the comments. Some of those consulted offered a general comment, some specific and some both.

#### **General responses:**

Six general responses in favour of the review were received. One was received that considered the review contained inaccuracies and intellectual contradictions.

#### **Specific responses to recommendations:**

Original recommendation	Comments received	Response/Conclusion
<p>1.1 It is recommended that the scope of the CAC is focused on to service pension and compensation issues only.</p>	<p>Five responded in favour- specific comments:</p> <ul style="list-style-type: none"> <li>• Remit should encompass matters pertaining to all pensions paid to service personnel, veterans and dependents</li> <li>• Agreed but could be more specific and should include legislation</li> <li>• Agreed as long as there are appropriate alternatives to consider other issues.</li> </ul> <p>One disagreed – believing it inappropriate not to engage in wider issues.</p>	<p>Other bodies exist that are better placed to deal with wider veterans issues – detail circulated to existing CAC members.</p> <p>Implement recommendation unchanged.</p>
<p>1.2 It is recommended that the role of the CAC be developed to provide a more credible and visible consultative mechanism for both the compensation and occupational pension schemes.</p>	<p>Four responded in favour- specific comments:</p> <ul style="list-style-type: none"> <li>• Agreed but not only method and should not rely only on website</li> </ul> <p>Two were more ambivalent, commenting:</p> <ul style="list-style-type: none"> <li>• Agreed need to improve in this area, debatable if CAC is right body</li> <li>• A pamphlet should be provided to every service person to draw this consultative mechanism to their attention.</li> </ul>	<p>CAC is not the only consult route – copy of MOD ‘Merits Committee’ paper on departmental consultation circulated to members. Committee’s existence will be highlighted during wider consult exercises.</p> <p>Implement recommendation unchanged.</p>

<p>1.3 It is recommended that the CAC should refrain from routine involvement in issues of scheme operation and delivery.</p>	<p>Four responded in favour – specific comments:</p> <ul style="list-style-type: none"> <li>Agreed but governance arrangements need to be clear. Could introduce reporting of minutes to the CAC.</li> </ul> <p>One disagreed – commenting that the CAC should not stop doing anything when it impinges on pensions and compensation.</p>	<p>Other bodies exist that are better placed to deal with SPVA operational/delivery issues – detail circulated to existing CAC members.</p> <p>Implement recommendation unchanged.</p>
<p>1.4 It is recommended that a single Terms of Reference document for the CAC be developed and published.</p>	<p>Five responded in favour- specific comments:</p> <ul style="list-style-type: none"> <li>TORs should include reference to legislation, the ability to form working groups, the need to provide CV and max length of appointment, and a review period for the TORs.</li> <li>Members should be consulted separately - should be flexibility.</li> <li>Max length of appointment and need for flexibility.</li> </ul> <p>None disagreed.</p>	<p>There is clear merit in TORs being written in a flexible way that will allow changes without amendment – on the other hand, more defined TORs help to maintain focus and clarity, including to those outside the committee.</p> <p>The intention is to maintain a defined approach (and to include appointment lengths) however it will be for the committee to agree the final document.</p>
<p>1.5 It is recommended that the CAC be referred to as the “Pensions Central Advisory Committee”.</p>	<p>Two responded in favour.</p> <p>Three were more ambivalent – specific comments included:</p> <ul style="list-style-type: none"> <li>Compensation should be mentioned (x2)</li> <li>If serving personnel are joining it should refer to pay.</li> </ul>	<p>Pay will not be within the Committee remit.</p> <p>Amend recommendation to include word compensation in the committee title.</p>
<p>2.1 It is recommended that the CAC should continue to function through twice yearly meetings and out of committee business as required.</p>	<p>Five responded in favour – specific comments:</p> <ul style="list-style-type: none"> <li>Might consider an annual ‘open’ meeting.</li> </ul> <p>None disagreed.</p>	<p>Implement recommendation unchanged.</p>
<p>2.2 It is recommended that there should be two further engagements of the CAC membership during the year.</p>	<p>Two responded in favour.</p> <p>Four were more ambivalent – specific comments:</p> <ul style="list-style-type: none"> <li>Additional engagements should be as required (x 2)</li> <li>Specialist working groups should be considered for the additional engagements – possibly extending the organisations involved.</li> <li>“Out of committee” meetings are a concern.</li> </ul> <p>One disagreed.</p>	<p>‘Engagements’ do not necessarily mean meetings - additional meetings will only be held when needed.</p> <p>Implement recommendation unchanged.</p>

<p>2.3 It is recommended that the use of the existing CAC internet pages be developed.</p>	<p>Four responded in favour – with some cautioning that individual involvement could be overwhelming.</p> <p>One disagreed but seemingly be based on belief that individuals will be encouraged to engage in consultations with the committee.</p>	<p>Individuals will not normally be encouraged to engage in consultations with the committee but with the ‘sponsoring’ organisation (most often the MOD dept responsible for pensions policy).</p> <p>Implement recommendation unchanged.</p>
<p>3.1 It is recommended that the CAC appointments process for all members shift in emphasis towards the posts that individuals hold and that external members generally be appointed using a ‘nominating body’ process.</p>	<p>Two responded in favour.</p> <p>Three were ambivalent – specific comments:</p> <ul style="list-style-type: none"> <li>• External members should be on merit</li> <li>• Difficult issue, specialist knowledge is important, CEs should be assumed to be meritorious, for larger orgs a limited choice would be appropriate.</li> </ul>	<p>In practice, those members previously appointed on merit in fact bring much of their expertise and experience as a result of the organisations that they work for – making this link a requirement supports the policy advisory role of the committee and is particularly relevant to it’s effectiveness as a consultative body.</p> <p>Implement recommendation unchanged.</p>
<p>3.2 It is recommended that one appointment be available on the CAC to the network of WPCs and one each to up to six ex-service organisations (RBL, SSAFA, War Widows Association, BLESMA, Combat Stress and COBSEO) subject to the condition that at least one member must be an ex-service person.</p>	<p>Four responded in favour - specific comments:</p> <ul style="list-style-type: none"> <li>• Membership should reflect the new remit and all client groups should be represented.</li> <li>• As WPCs don’t cover AFCS and AFPS it might be necessary to include recipients. Requirement for one ex-service member seems unnecessary</li> </ul> <p>More ambivalent – specific comments:</p> <ul style="list-style-type: none"> <li>• In danger of creating an unmanageable body by including so many ex-Service organisations</li> </ul> <p>Disagreed – specific comments:</p> <ul style="list-style-type: none"> <li>• Proposed membership have only marginal interest in pensions and compensation.</li> <li>• Disagree with SSAFA and COBSEO each having a place (x3)</li> <li>• WPCs should have three places (x4)</li> <li>• the WPC ctte should continue as CAC subcommittee (x3)</li> <li>• Requirement for ex-service person should be the majority (x2)</li> <li>• RBL Scotland should have a place based on size of membership</li> </ul>	<p>The membership needs to reflect the new role of the committee and is intended to be broadly representative; i.e. include perspectives from the Service personnel, veterans and dependants who are affected by the pensions and compensation schemes within its scope.</p> <p>AFCS issues will be addressed mainly by serving personnel and ‘injury’ &amp; ‘general’ ex-serv. organisations. AFPS issues will be addressed mainly by FPS and ‘general’ ex-serv. organisations. SSAFA is very large broad representation group. COBSEO provide link to many smaller groups.</p> <p>Amend recommendation to provide two WPC places. Amend ex-service requirement from ‘person’ to ‘persons’</p>

<p>3.3 It is recommended that one appointment each would be made on the CAC to a senior official from the pensions policy area, a senior official from the delivery agency, and a specialist official.</p>	<p>Three responded in favour.</p>	<p>Implement recommendation unchanged.</p>
<p>3.4 It is recommended that three appointments on the CAC be made to in-service representatives from the PPO areas at OF5 level and one to a service occupational pensions representative organisation (FPS).</p>	<p>Four responded in favour – specific comment:</p> <ul style="list-style-type: none"> <li>• Army should have two reps and SNCO representation should be considered.</li> </ul> <p>One disagreed, commenting: one Pay Colonel is plenty.</p>	<p>Record possibility of more direct junior Service representation for future.</p>
<p>3.5 It is recommended that there is no requirement for specific representation from the regions/devolved administrations on the CAC.</p>	<p>Four responded in favour.</p> <p>Two disagreed.</p>	<p>Implement recommendation unchanged.</p>
<p>3.6 It is recommended that suggestions for making the CAC more outward looking be further explored.</p>	<p>Four responded in favour – specific comments:</p> <ul style="list-style-type: none"> <li>• Consider involving PAT/subsequent appeal body.</li> </ul> <p>Three were more ambivalent – specific comments:</p> <ul style="list-style-type: none"> <li>• Should avoid moving back to the current situation.</li> <li>• Central staff should liaise with outside agencies and the schemes are specific to Armed Forces.</li> </ul>	<p>Involving an appeal body in a policy advisory process would not be appropriate because it would blur the independent relationship.</p> <p>Implement recommendation unchanged.</p>