

Draft Strategic Plan and Proposed Operating Model Documents from RSL NSW (J Black)

Question. Issues. Comments from St Marys sub-Branch

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1 Q:	<i>Fundamental consideration #1 for an Operating Model</i> - "RSL is a National Brand". We agree that this is a goal worth striving for. For this to be achieved, then the Branch (<i>not sub-Branch</i>) Exec (among other changes) needs to change attitudes and work together - this will be evident if ever one State sub-Branch recognises a member of another State's sub-Branch (something that does not occur today).
1 A:	Goal 5.5 - the national brand strategy is key, with outcome (KPI) 5e which is national (portable) membership. The RSL National Strategy is still being developed, but the need for a brand strategy is firmly embeded in the early drafts. Recent events saw all state branches cooperate to produce a common (#lightupthedawn) campaign to commemorate ANZAC Day. It's important also to consider the proposed operating models (on website under Strategic Plan) that includes an option to shift NSW Sub-BrancheS under RSL Qld, which itself has a strategic plan to become 'RSL Australia.' This of course is underpinned by the huge revenues generated by the now global lottery, which does generate significant sales in NSW. Early feedback on this option is not supportive, however, as members would rather see a strong state branch, working cooperatively with other States.
2 Q:	<i>Fundamental consideration #2 for an Operating Model.</i> "Equity in service delivery irrespective of the Veteran location". Regarding country areas, this cannot possibly be achieved in every town where veterans are located - considered unrealistic as a criteria/fundamental.
2 A:	In the modern world, services can often be delivered by technology. For instance RSL DefenceCare's claims and advocacy services are currently been delivered effectively via video conference and email with veterans. The plan also recognises the need to provide FT paid advocates as the expectation on volunteers in terms of qualifications and experiences has increased with ATDP, and DVA outcomes indicate the strength in such a model. Goal 5.3 sets a goal to establish regional and metro 'centres' to complement tech delivered services. on 24 Apr 20 RSL NSW released an EOI to seek market interest in designing, building and operating such a centre in Nowra. This is a model that if successful can be replicated across the State. Also, many medical matters can be done by telehealth. It's a matter of ensuring access, and the Strategic Plan is suggesting RSL membership means volunteering to help others through connecting those in need with services, not necessarily delivering the services. RSL NSW membership also means access to camaraderie locally and across the state as it becomes action orientated - doing activities, participating in inter-sub-branch events and competitions, which all help with veterans and their families.
3 Q:	<i>Fundamental consideration #3</i> "Financial viability and ongoing sustainability of RSL NSW". This can easily be achieved simply by disposing of LifeCare since that arm of RSL NSW is unable to contribute to the objectives of RSL NSW without being seen to be discriminatory, in which case it would lose its Govt Grants. Dispossession would net \$500m+ and achieve this criteria for RSL NSW ... and would leave sub-BrancheS like St Marys to continue to manage the welfare and other activities and programs it has undertaken for many years - all of which contribute to the objectives of the RSL and which make this sub-Branch highly regarded across the local area.
3 A:	RSL Lifecare is a registered charity, established as a company limited by guarantee. RSL NSW is the 'sole member' of the company, not a 'shareholder.' Even it relinquished its NFP charity status, if sold, it's assets have to follow to an owner whose Trust objects align, therefore not RSL NSW, so there would be no benefits to RSL NSW. RSL LifeCare's objects are protected and cannot be changed without very difficult Supreme Court processes. As such, if wound up its assets have to be moved to a like charity. However, you will see in the proposed Strategic Plan that it is like other organisations and is a key <i>veteran service delivery organisation</i> - but notionally 'owned' by RSL NSW as the sole member. You would have also noted that with wind up of RSL WBI (whose Trust objects were compromised because it was discovered during the Bergin Inquiry it was operating outside of them by providing services to current serving personnel) RSL DefenceCare is proposed to be <i>acquired</i> by RSL LifeCare. As a sole member however, RSL NSW within limits of the charity's Objects can change the RSL LifeCare Constitution to ensure for instance a continuation of RSL DefenceCare services, and require a range of reporting of performance to the Member. This will enable the RSL 'family' to effectively grow veterans services, supported by charitable funds (donations) from RSL NSW and surpluses from RSL LifeCare's commercial operations, particularly retirement living. This in turn means RSL NSW Sub-BrancheS can concentrate on what they do best, camaraderie, activities, and as the proposed plan suggests members as 'veteran sponsors' directing veterans (and other members in need) to quality support services such as those provided by RSL LifeCare/DefenceCare. The RSL brand and association to brand is a key part of the proposed strategic plan.

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4 Q:	<i>Operating Models</i> - Centralised is obviously favoured to create effective Veteran Centres across the State: RSL NSW continue to remain oblivious to the recent failed attempts we understand it has been involved (to varying degrees) in this area ... and continues to overlook/ignore the successful Veterans Support Centre that St Marys Outpost has been operating for 25 years - successful due to strong co-operation of two ESOs (our sub-Branch and the Vietnam Veterans Assoc Outpost). It is time for RSL NSW and other sub-Branches which may have the opportunity to do so, to change attitude and start to use the resources available in any given area to its best advantage.
4 A:	The concept of veteran centres is mentioned above. There are several, including 'your' St Mary's one currently in operation. As CEO I have also been engaged in a process to 're-connect' one regional centre to the local RSL sub-Branch because it was set up separately (as a charitable company) because from what I have gleaned, a clash of personalities and direction in the local sub-Branch. The centre however does the 'heavy lifting' for the sub-Branch without adequate funding, and over-stretching its volunteers - this is not sustainable as noted above about expectations of volunteers in the ATDP world. The history of the VVAsn is well known, and not one the RSL perhaps should be proud of - and the question I ask myself is - is it time to re-connect? Observations would indicate that the relationship between the VVAsn and RSL is very close in many areas and many RSL members belong to both. I can't say I know about RSL state branch 'over-looking or ignoring' the 'outpost' as I have only heard positive things since I was appointed as CEO, and many have commented to me about the 'train.' I was not happy that COVID19 stopped my visit, but I am keen to know more!
5 Q:	As the Day Clubs and Youth Clubs are no longer part of the Constitution it would be appreciated that a decision be made on their future as soon as possible as both our groups are in a "holding pattern" until a decision is made. When does State consider a
5 A:	This is an important matter yet to be wrestled by me or the Board. It is on the forward agenda though. In many respects the 'activity' driven sub-Branch suggested in the strategic plan does by nature 'pick up and expand' on 'day clubs.' Youth clubs I must confess I really haven't got my head around yet.
6 Q:	<i>Strategic Plan draft - Purpose</i> : omits any focus on promoting local community education/awareness of RSL and Aust military culture and history. In this vein, Goal #6 refers simply to 'public' in relation to the purpose of RSL NSW but no inference that we have a role to ensure that Australians appreciate the part that military has had in this country's development and freedoms. The increasing changes of population and immigration make this task an imperative. This omission must be corrected.
6 A:	Yes, while there is a specific goal about schools, the wider community needs to be considered. There has been quite a bit of feedback about the need for the RSL to more comprehensively be the custodian of the 'ANZAC spirit.'
7 Q:	<i>RSL NSW Network Concept</i> - Support Services listings: a) Even before DefenceCare is listed, the first entry must be ' Nearest or local Veterans Support Centre '. b) LifeCare should be deleted as it should be disposed of as it does not and cannot contribute to the objectives of a welfare organisation called RSL NSW. c) Others major ESO's and in particular, VVAA & VV Federation , must both be added as they have a high profile in many areas across the State - they are not 'the opposition'; we must work in with them.
7 A:	a. has been discussed above - the question is, should a veteran receive a common experience if it's a 'centre' branded RSL regardless of location? b. Also discussed above - as part of the RSL NSW family, and with the changes suggested, shouldn't its strong balance sheet to be bought to bare on 'veterans services?' The matter of RSL LifeCare has not been raised in any other consultations to date, and must be an important discussion area at the face to face consultation with members at St Mary's. c. Also discussed above - is it time for a strategic change - this has been raised in many parts of the State. The Strategic Plan proposes that the RSL becomes the leader of ESOs - as it used to be.
8 Q:	<i>Comment</i> : the documents as written, seem to a) have a particular focus on the younger veteran to the detriment of the bulk of existing members - that is a problem for existing members, and b) omit focus on ' <i>grass roots</i> ' goals.

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8 A:	<p>a. this comment is not understood, and needs to be discussed at the face to face consultation. A service member is also a veteran, but also a potential 'veteran sponsor.' Change is proposed to attract younger members, but not at the detriment of existing members. b. this is also not understood, and needs to be contextualised. It is a grassroots organisation, and every action has strategic consequences.</p>
9 Q:	<p><i>Financial Resource Management Concept :</i></p> <p>a) History has shown that putting all one's eggs in one basket when making investment decisions can be dangerous (i.e.. Legacy's investments during the GFC) whereas differering investment strategies result in a more level result over the whole organisation. Why move away from that proven strategy?</p> <p>b) While it is proposed to be voluntary for a sub-Branch to join the proposed Fund (IDB), is it equally and easily voluntary of the members of that sub-Branch to opt-out at a time of their choosing (within a reasonable time)?</p> <p>c) While the funds remain on the sub-Branch's balance sheet, will the (hopefully) Growth of the IDB be proportionately added to the sub-Branch's balance sheet, and be included in totals if a sub-Branch decided to opt-out of the IDB? [It is accepted of course that a downturn in IDB value would also be reflected proportionately in any opt-out.]</p> <p>d) Will a sub-Branch have 'first dibs' (annual budget) in the proportionate use of the IDB Income and without RSL NSW overarching directive (other than where such increased requirements take it outside ASIC guidelines)?</p> <p>e) Will a sub-Branch be able to place only a portion of its investments in the IDB, while retaining the remainder under current, separate investment arrangements?</p> <p>e) While the proported goal of an IDB is stated as a way of reducing Financial Advisor payments currently experienced over the many individual & smaller investment portfolios, what's not stated is the obvious need for a 'Middle Man' at RSL NSW to manage the affairs (surely the current CFO won't have capacity in his portfolio to take on this role as well!) and the obvious additional cost in salary that this will incur ... so where's the savings? In fact all it does in put in place another layer of bureaucracy with a further set of hoops to jump through to access holdings.</p>
9 A:	<p>a)It can be argued it's not a proven strategy. It only takes a short time in the role to see how RSL NSW's wealth (and influence) has been eroded. Agreed that investors (sub -Branches) should make an informed choice on investment, but the choices don't need to be paid for multiple times. With just fee savings alone, RSL NSW could employ 20 FT claims advocates (Rs Qld has over 50, RSL NSW through RSL DefenceCare 8.) I have asked the DPC to seek volunteers from the membership to develop the funding model(s.)</p> <p>b)Yes that is what is proposed, say for instance a sub-branch wanted to build a local memorial. c) yes, but the critical matter is the IDB's decision on disbursements. If RSL NSW is going to achieve what is proposed in the strategic plan, strategic investment decisions need to be made, before local ones. Moreover, I think capital should be preserved, not squandered as per my comment under point a. so before disbursements are considered, the pool should grow at least in line with inflation before disbursements are made. The current crisis is a case in point, and watching how current arrangements respond, compared with say the ANZAC House Trust 'pooled' investment. d. this is answered in c - are we serious about a strong RSL in the future, or a strategy of 'dying out with dignity' as what was proposed in the 1970s? e. that is envisaged, yes. What local funds are needed. I sense there was no transparency in RSL NSW funds and hence sub-branches not wanting to participate strategically. Such transparency is absolutely essential for working together - hence members can see on the website \$ in and out of the disaster and support fund, and support and assistance fund. (also noting to be compliant with ACNC sub-branches cannot provide cash or other funds to other sub-branches unless they can acquit to charitable purpose in detail.) e2) a significant resource is already in place - mainly because ANZAC House has to manage multiple funds, including ANZAC House Trust - which is really the \$25 m sale proceeds from the 'old' building in Castlereagh St. While the fund returns were strong (pre-COVID19) it was easy to manage the resource requirements - tougher now so we really need larger fund. Notwithstanding this I am confident that if we can get such a model agreed, not only will pencils be sharpened I sense we can generate a competition between service providers to meet their 'corporate social responsibility.' (e.g. we just worked with Westpac to fund television commercials for ANZAC Day.) I don't see additional 'middle men' but I do see an opportunity for Sub-Branches to be spending more time on core veteran activities and support and not worrying on a daily basis about fund management.</p>
10 Q:	<p><i>Comment :</i> A concern of many - the proposals for the IDB model are compared to a 'Socialist' model ... a far cry from behaviour expected in a Democratic society.</p> <p>Our Sub Branch has had a close association with 4 country branches over the last 15 years and, annually, we support them financially. This has allowed them to repair local memorials, be involved with local special remembrances (e.g. The Cooee March reenactment) and allows them to make their own decisions on how the funds are spent. We spent a large amount of time investigating the Sub Branches before we agreed to support them and we continue that through our close association to understand what they are doing. We have budgeted \$24000 for these Sub Branches (ie. \$6000 per Sub Branch) and believe that continuing to make these grants will assist these Sub Branches without any extra work needed to be done by State Office. Under your proposed strategy, will this arrangement continue, and will it be taken into account when State makes calls for assistance for smaller sub-Branches?</p>

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10 A:

I have actually mentioned a concern about this above - under the 'new' ACNC. You would have to account for every \$ of the \$6,000 to charitable purpose. Are you certain it is accounted for correctly? I strongly urge you to place the \$24k in the RSL NSW 'Support and Assistance fund' (another reason why the transparency in this account is critical) so you don't need to concern yourself with the ACNC. Perhaps a useful example: With the significant downsizing of ANZAC House so it can 'live within its means' it will not have the resource to undertake all the legal work for sub-Branches (currently 70 files open) - so sub-Branches will have to 'user-pay.' Those sub-Branches that your sub-Branch currently support for instance might not have the resources to pay a solicitor, so they would use the Support and Assistance Fund, and the regulator can see the transaction flow. This also avoids inequities across some sub-Branches that have a 'benefactor,' and those which don't.