

<b>Agenda Item No:</b>	
<b>Title:</b>	District Rationalisation Timeline and Option for Implementation
<b>Date:</b>	20/07/2022
<b>Sponsors</b>	Jeff O'Brien

<b>Strategic Plan Pillar/Constitution Power</b>	Strategic Plan Goal 5, Priority Initiative 5.10, success measure 5k
<b>Action Required</b>	For Decision
<b>Recommended Resolution</b>	That the RSL NSW Board approve the measured timeline, and geographical option for the process to rationalise districts from 23 to 10.

## 1. Executive Summary

The District Rationalisation Steering Committee (Steering Committee) considered several options and determined that a District rationalisation based on Geography provides the best pathway to rationalise the Districts from 23 to 10, with further consideration on boundaries to be assessed and finalised

This paper recommends that the RSL NSW Board endorse the recommendation of the Steering Committee.

This paper further considers two possible timelines for implementation and recommends the RSL NSW Board approve the measured timeline including a transition to the new districts from 1 January 2024.

## 2. Background

Initiative 5.10 of the RSL NSW Strategic Plan 2021-26 recommends rationalising the number of districts for sustainability and efficiency purposes, with a target to reduce the number of Districts to ten (10) or fewer by 2024 and ensuring a sustainable RSL presence in all centres by consolidating unsustainable sub-Branches as Chapters or amalgamating into larger sub-Branches.

A Steering Committee was established in October 2021 to assess the appropriate number of Districts and recommend a pathway to rationalise the current number of Districts from 23.

The Steering Committee identified six (6) key principles of administration for consideration in developing options on the optimal number of Districts and their composition. They are:

- **Division of Work** – a District must be able to manage work fairly and efficiently, i.e. be consistent in span of control, e.g. number of reporting entities (sub-Branches)
- **Transparency and mutual responsibility** – Districts must be able to communicate and announce responsibility as accountability rests with sub-Branches, e.g., access effective modern communications capabilities
- **Discipline and focus on results** – A District must have the means to ensure sub-Branches follow the rules and provide guidance and support to improve performance.
- **Strong governance** – Districts can support sub-Branch compliance with the ACNC, Fundraising Act, the Constitution, SOPs, and policies.
- **Efficiency** – as functions are limited and procedural (not accountable), the span of control can be large, supported by access to modern communications capabilities. There is a limited direct leadership function as sub-Branches are accountable to the Board for performance, not the District (although the Board could delegate accountability functions).

- **Rate of effort** – to meet the myriad of administrative, coordination and support (training and assistance) responsibilities, volunteers need close administrative support i.e. District Support Officer

In May 2022, the Steering Committee assessed five options against the criteria above (Annexure2) and determined that a District rationalisation based on Geography provides the best pathway to rationalise the Districts.

The following options have been considered:

- Option 1 Geographic - Using the current DC boundaries to merge sub-Branches within a larger District (**recommended**)
- Option 2 Member Numbers - Using membership number to ensure each DC has a mix of large and small sub-Branches
- Option 3 Assets - Using sub-Branch assets to ensure each DC has a mix of wealthy and less well-off sub-Branches
- Option 4 Metro/Rural Link (wedge option) - Using Metro sub-Branches to then fan out to regional and remote sub-Branches in a wedge or fan formation
- Option 5 Communication capability/reach - Using the technologically capable sub-Branches to mix with the less capable sub-Branches

Indicative boundaries for the proposed new Districts have been drafted (Annexure 3) for a period of consultation and finalisation. A list of sub-Branches assigned to each proposed District is available in Annexure 4. The Steering Committee looked at other comparable organisations, including the number and size of their operational units/districts, to inform the proposed boundaries. This included NSWRFSS, NSWSES and NSW Health Authority Districts. RSL NSW also took into consideration the District sizes in other States (Victoria 11, Queensland 10 and WA 2) as comparisons for potential District Rationalisation.

The complexity of the requirements necessitates an appropriate timeline for detailed assessment, finalisation of boundaries and recommendation to the RSL NSW Board. Whilst also taking onboard the project dependency of the A9 - District Coordinator pilot which ends June '23

There is also likely to be a level of resistance to any recommendation and change, which requires communication, detailed evidence to mitigate and an appropriate period of consultation.

Two timelines have been considered for implementation:

- District Rationalisation Abridged Timeline (Annexure 1a)
- District Rationalisation Measured Timeline (Annexure 1b) (**Recommended**)

### 3. Recommendation

It is recommended that the RSL NSW Board endorse the District Rationalisation Steering Committee Option 1 - Geographic for district rationalisation (including a transition to the new districts from 1 January 2024).

It is recommended that RSL NSW Board approve the District Rationalisation Measured Timeline.

It is recommended that the RSL NSW Board endorse Option 1 - Geographic for district rationalisation (including a transition to the new districts from 1 January 2024).

## 4. Matters for Consideration

### 4.1 Strategic Implications

The RSL NSW Strategic Plan 2021 – 2026, Goal 5, Priority Initiative 5.10 states 'With Board approved Terms of Reference, supported by an independent person, rationalise the number of Districts on a sustainability and efficiency basis, and ensure sustainable RSL presence in all centres by consolidating unsustainable sub-Branches as Chapters or amalgamating into larger sub-Branches'. The Strategic Plan records that we measure success; 5k. 'District numbers reduced – target ten (10) or fewer Districts by 2024'.

District Presidents will be directly impacted due to the reduction in District numbers from 23 – 10. This may have a significant impact during the next election cycle, with a high number of District Presidents potentially standing for a reduced number of positions. Nonetheless, it is expected that a reduction in Districts will provide a fairer and more equitable split for District Presidents and bring RSL NSW in line with other State-wide organisations within NSW and other State Branches.

A period of consultation is required to demonstrate members views are being considered, generate support and acceptance, while also reducing resistance.

## 4.2 Financial Implications

Financial Implications are negligible. Measured Timeline may incur a \$50,000 cost to cover a six-month period between the conclusion of the District Coordinator pilot and commencement of BAU recruitment, should the creation of the roles be approved and both parties wish to continue the employment status.

## 4.3 Risk Analysis

Risk (Timeline)	Likelihood (H, M, L)	Impact	Mitigation
Abridged Timeline			
Project failure due to time constraints	High	Major. Time constraints increase likelihood of failure due to lack of resourcing, and implementation of change with appropriate consultation and requirement for proposal to pass through multiple approvals in a short timeline.  Steering committee withhold final recommendation	Prioritise PMO resources on this project above other competing tasks and manage resistance as best as possible  Communication and collaboration
Measured Timeline			
Financial and continuity risk	High	Minor. Timeline discrepancies between project dependencies (District Rationalisation and District Coordinator Pilot)	Extend District Coordinator contract for 6 months (if District Coordinators agreed upon) to ensure continuity of service.
Risk (Rationalisation)	Likelihood (H, M, L)	Impact	Mitigation
District Presidents resisting a reduction in District numbers	M	Vocal opposition to members and potentially media.	Consultation.  Overview of other State-wide organisations and practices.

			Evidence of disparity in sub-Branch and member numbers between Districts.
Disenfranchised District Presidents step away	M	Loss of institutional memory	Consultation Encourage and train new and younger veterans to bring new perspectives

#### 4.4 Other Matters

Options:

Options	Option 1	Option 2
<b>Description</b>	Abridged Timeline	Measured Timeline (Seek endorsement at 2023 Congress and implement from 1 Jan 2024)
<b>Pros</b>	<ul style="list-style-type: none"> <li>Quick completion of Strategic Plan Priority Initiative.</li> <li>If timeline met and District Coordinators agreed to, then quick instalment of Coordinators possible.</li> </ul>	<ul style="list-style-type: none"> <li>More time for consultation to build confidence and support</li> <li>Present directly to next year's Congress 'build sub-Branch support through direct communication'.</li> <li>District Coordinator pilot will have been completed and results/recommendations compiled.</li> <li>More time to consult and communicate directly with sub-Branches</li> </ul>
<b>Cons</b>	<ul style="list-style-type: none"> <li>Limited time to present benefits to members</li> <li>Project completion ahead of results from District Coordinator Pilot</li> </ul>	<ul style="list-style-type: none"> <li>District Coordinator 12-month pilot ends 31<sup>st</sup> May 2023. Decision would have to be made as to possible contract extension.</li> <li></li> </ul>
<b>Dependencies</b>	<ul style="list-style-type: none"> <li>District Coordinator Pilot</li> </ul>	<ul style="list-style-type: none"> <li>District Coordinator Pilot</li> </ul>
<b>Timelines</b>	<ul style="list-style-type: none"> <li>End of 2022</li> </ul>	<ul style="list-style-type: none"> <li>Start date 1 January 2024</li> </ul>
<b>Costs</b>	<ul style="list-style-type: none"> <li>Negligible</li> </ul>	<ul style="list-style-type: none"> <li>\$50,000</li> </ul>

#### 5. Management Responsibility & Reporting

Sponsor – Jeff O'Brien

Project Manager – Andrew Stensel

Timelines for both Abridged and Measured recommendations are attached in Annexure 1.

#### 6. Annexures

**Annexure 1 - Options timelines**

**Annexure 2 – Evaluation of options**

**Annexure 3 – Proposed District Maps**

**Annexure 4 – List of sub-Branches in proposed Districts**

## Annexure 1 - Option timelines

### A) Option One – District Rationalisation Abridged Timeline

Activity	Start	Complete
Steering Committee District Rationalisation - consideration of options and preliminary recommendation	21/05/2021	20/06/2022
Districts Presidents Council (DPC) - advise steering committee recommendation on district numbers	20/06/2022	23/06/2022
RSL NSW Board – approves district rationalisation timeline	23/06/2022	12/08/2022
RSL NSW Congress papers	12/08/2022	14/10/2022
Congress receives update on District Rationalisation proposal	31/10/2022	1/11/2022
Steering Committee District Rationalisation - final recommendation	18/11/2022	18/11/2022
RSL NSW Board – approves district rationalisation	1/12/2022	1/12/2022
Work with Comms and AHT (ANZAC House team) on new documentation and administrative processes + review period	1/10/2022	15/11/2022
District Rationalisation Implementation	1/12/2022	1/1/2023
Update RSL NSW website	6/12/2022	14/12/2022
Website updates go live	14/12/2022	15/12/2022
Update portal access with Office Bearing roles (tied to transition of office bearers)	2/12/2022	22/12/2022
Transition to new District and office bearer structure	2/12/2023	1/01/2023
District Presidents Committee approves SOP update	1/12/2022	1/12/2022

**B) Option Two – District Rationalisation measured timeline**

<b>Activity</b>	<b>Start</b>	<b>Complete</b>
Steering Committee District Rationalisation - consideration of options and preliminary recommendation	21/05/2021	20/06/2022
Districts Presidents Council (DPC) - Preliminary briefing of preferred option	20/06/2022	23/06/2022
RSL NSW Board - approves district rationalisation timeline	25/08/2022	25/08/2022
RSL NSW Congress – exposure to delegates	12/08/2022	14/10/2022
Work with Comms and AHT (ANZAC House team) on new documentation and administrative processes + review period	5/01/2023	15/08/2023
District Support Officer pilot	1/06/2022	1/06/2023
Review Pilot	1/05/2023	30/06/2023
Prepare stakeholder engagement plan	14/05/2023	30/06/2023
Steering Committee evaluation of feedback on possible District Rationalisation reduction to 10DC's	1/07/2023	31/07/2023
Rollout Stakeholder engagement	1/08/2023	27/10/2023
Congress endorses District Rationalisation proposal	30/10/2023	31/10/2023
DPC updates SOP	4/12/2023	20/12/2023
Board approves District Rationalisation proposal	27/11/2023	1/12/2023
Update RSL NSW website	6/11/2023	22/12/2023
Website updates go live	4/12/2023	8/12/2023
Update portal access with Office Bearing roles (tied to transition of office bearers)	02/01/2024	15/02/2024
Transition to new District and office bearer structure	15/08/2023	1/01/2024

**Annexure 2 – Evaluation of options**

**Annexure 3 – Proposed District Maps**

**Annexure 4 – List of sub-Branches in proposed Districts**