



RSL AUSTRALIA
ROYAL COMMISSION INTO
DEFENCE AND VETERAN
SUICIDE

TABLE OF CONTENTS

TABLE OF CONTENTS	2
Introduction	3
Role of ESOs	4
ESO Service Standards and Accreditation.....	5
Long-term, sustainable, needs-based funding	8
ESO Peak Body.....	9
Consultation with Government	10

Introduction

The Royal Commission's Stakeholder Reference Group has asked its member to examine the following question: What is the role of ESOs, regarding the Royal Commission and moving forward?

The Returned & Services League of Australia puts forward the following sections for discussion:

- Role of ESOs
- ESO Service standards and accreditation
- Long-term, sustainable, needs-based funding
- ESO Peak Body
- Consultation with Government

These sections are not designed as the only or final answers on these questions, and there is much work left to do.

The state of the ESO sector in Australia represents a wicked problem, one that will not be resolved quickly, easily, or without disagreement.

However, it has become clear things cannot continue as they have been, both at a systemic level and among the ESOs themselves. The RSL believes we must find new ways of working that:

- promote the provision of services to veterans and families at a higher standard
- present a more unified, informed and consistent voice of advice
- ensures the viability of ESOs to continue to provide the camaraderie and support to Defence members, veterans and their families.

Role of ESOs

ESO as charities, not Government service providers

1. The Australian Veteran Support System (VSS) is a complex ecosystem characterised by welfare and health services delivered by a variety of organisations. There is significant reliance on ex-service organisations (ESOs) and veteran charities for welfare assistance and support for veteran rehabilitation and recovery care that sits outside the traditional for-profit rehabilitation industry.
2. However, formal service coordination among ESOs and veteran charities is non-existent and, with no higher authority governing the services provided by ESOs and veteran charities.
3. Many of the services discussed in this paper or examined so far through the Royal Commission process should not necessarily be being offered by charities like ESOs. Cultural factors and the unique nature of veteran rehabilitation and recovery increase demand for ESOs. In other cases, gaps in Government service provision require ESOs to step in.
4. There must be realistic expectations about what ESOs, including the RSL, can do under the current model.

Defining what an ESO/VSO is

5. Currently there is no classification for ESOs, or even a definition of what an ESO is. The term ESO tends to relate to any veteran-based organisation. There is no distinction between member-based service providers, commercial organisations that provide fee based or fee free services, veteran-led charities or ADF unit/squadron associations.

ESO Service Standards and Accreditation

6. Under the current system, ESOs and veterans' charities can access substantial funding through Department of Veterans' Affairs (DVA) and Federal, State, and Local government grants without evidence of service qualifications. The industry is not governed by a higher authority, unlike in other care or welfare industries. Often Australian Charities and Not-for-Profits Commission (ACNC) status and/or an Australian Business Number (ABN) is all that is required, with governance based on financial capability and acquittal processes, with no scrutiny of service qualifications.
7. DVA needs to provide the appropriate legislative and systemic framework to allow the ESO community to flourish. A legislative administrative instrument to create a national framework for the accreditation, cooperation, and resourcing of ESOs should be considered as part of any legislative or policy change.
8. The Royal Commission may wish to consider the phased introduction of accreditation and service standards for ESOs, which gradually define the role of 'ESOs' based on the types of services they deliver.
9. This could be based on the Standards for Registered Training Organisations (RTOs) 2015 model, administered by the Australian Skills Quality Authority. The Standards are enabled by the *National Vocational Education and Training Regulator Act 2011* (NVR Act), with the purpose of¹:
 - describing the requirements that an organisation must meet to be an RTO in Australia
 - ensuring that training delivered by RTOs meets industry requirements (as set out in training packages and accredited courses) and has integrity for employment and further study
 - ensuring RTOs operate ethically and consider the needs of both students and industry.
10. The Royal Commission may wish to establish a National Standards model for ESOs, established in Federal legislation.
11. This model could be administered by a regulatory body (this body could sit within the National Commissioner for Veteran Wellbeing model proposed by the RSL in its other paper to the Stakeholder Reference Group), which would also have an accreditation function. Auditing functions could be outsourced to external auditors.
12. This model should set a baseline of standards for ESOs in Australia, without which an ESO would not be authorised to provide services to veterans or their families. The model should be flexible enough to cover the wide array of types of ESOs.
13. The National Standards should be reflective of the vast array of services that ESOs currently provide the veteran population from camaraderie to health services. Considering this significant spread of service purpose, it is critical the introduction of

¹ <https://www.asqa.gov.au/rtos/users-guide-standards-rtos-2015/introduction/about-standards-rtos-2015>

Service Standards should be appropriate to the service being delivered by each organisation.

14. Through the accreditation process, ESOs will register formally with DVA/Government, including their categorisation (see **Table 1**). This will allow Government to know the primary interest area or service function of each ESO. This will allow Government to target processes, such as piloting and consultation, based on the ESO/s that have subject matter expertise in the type of veteran or issue being examined.

15. The purpose of the National ESO Standards should be to:
 - describe the requirements that an organisation must meet to be considered an Ex-Service Organisations (ESOs) in Australia
 - ensure the ESO has met governance and management requirements to be considered an ESO
 - ensure policies and procedures for the safe delivery of services to veterans and their families, including identifying the appropriate insurances are held by the ESO dependent on the services they deliver
 - ensure ESO operate ethically and consider the needs of veterans, their families, and the Defence Member Community;

16. The benefits of this model include:
 - establishing a national framework for Australian ESOs that deliver a minimum standard and quality for all ESOs to follow
 - the ease with which they can be applied to volunteer and/or member-based organisations
 - they do not stop ESOs from achieving other accreditation/service standards, i.e. Health and Community Standards
 - provide additional oversight of an industry that currently has very little

17. Once the National Standards are embedded, the Royal Commission may consider phasing in a system for the categorisation of Ex-Service Organisations, with set service standards for each category of ESO. An example of how this categorisation may work can be seen in Table 1 below. The RSL sees this as a long-term endeavour.

Table 1: Possible ESO Categories and Standards

Ex-Service Organisation -Categories and Standards				
Primary Function	Service Promotion This category would be divided into subcategories pending the service i.e. health services vs employment services.	Veteran Policy Promotion	Commemoration and/or Camaraderie	Awareness Raising
Description	Primarily established / core outcome is to	Primarily established to	Core purpose is to provide opportunities	Established to raise

	deliver a service to veterans. May or may not include services to their direct dependents.	advocate on veteran policy matters.	for mateship, connection, commemoration, and remembrance of significant military events. Such as unit associations.	awareness and/or raise funds for veteran welfare, but not involved in service provision.
Proposed Service Standards	Pending the type of service, the service must meet the relevant industry standard. i.e., health services to meet State Health and Community Standards, a Life Coaching program to meet Australian Coaching, requirements, and healthcare requirements for staff training.	N/A If funding is required to undertake business operations, such as an AGM, are required to have basic insurance for the event.	\$20 million Public Liability Insurance (\$20 million matches Commonwealth contract requirements)	Dependent on the activities used to raise awareness and / or raise funds, such as Deductible Gift Recipient (DGR) status.

18. The regulatory body responsible for the National ESO Standards could formalise these ESO classifications, and establish the service standards, accreditation, and baseline service provision measures.
19. Access to DVA, or any Government-based grants, would require ESOs to meet the relevant service standards, in addition to existing ABN or ACNC requirements.
20. The Royal Commission could recommend a roadmap for mandating Service Standards be established, so that ESOs are supported in meeting Service Standard requirements and can continue delivering services while they undertake the necessary measures to become compliant.
21. In addition, the Federal Government should consider creating a round or rounds of grants to assist ESOs to establish business functions to meet the new National ESO Standards.

Long-term, sustainable, needs-based funding

22. The current funding arrangements for ESOs rely on government grants, programs, and public fund-raising efforts. This model, although suitable in the past, carries with it systemic weaknesses and issues in sustaining the sector.
23. Charities that look after the welfare of the armed forces, including the dependants of injured or deceased veterans fall under the 'Advancing the security or safety of Australia or the Australian public (Security)' charity sub-type. The *Australian Charities Report 8th Edition (2022)* shows that Government funding for this sub-type in the 2020 reporting period was \$13 million, representing 7.6 per cent of the funding for this sector². In the 2018 *7th Edition*, this was \$8 million and 18.5 per cent respectively³.
24. This funding can be contrasted with the close to 600,000 veterans living in Australia, many of whom rely on the services of these charities⁴. This does not consider the number of families, dependants and caregivers also served by these organisations.
25. While not a perfect comparison, these figures demonstrate the scope for further support to be provided to ESOs and veterans' services organisations.
26. The Federal Government should provide guaranteed and sustainable needs-based funding to ex-service organisations (ESOs). This would allow ESOs to operate with a view to longer-term, research-based, and innovative projects and programs that address deep-rooted issues and risk factors for suicidality, while promoting lifetime wellbeing for veterans and their families. This funding should be tied to service provision.
27. To facilitate the reporting requirements of such funding, consideration should be given to improving the technological capability and support provided to ESOs at the grassroots level.
28. ESOs also face the challenge that many elements of housing, social and welfare support is the responsibility of State Governments, with veterans only able to access these services through mainstream State agencies. There is a need for great collaboration between State and Federal Governments in these key areas of veteran wellbeing, and associated funding.

² Australian Charities Report 8th Edition (2022), p. 30 & v34

³ Australian Charities Report 7th Edition (2018) p. 25 & 30

⁴ <https://www.abs.gov.au/statistics/people/people-and-communities/service-australian-defence-force-census/latest-release>

ESO Peak Body

29. The RSL believes there needs to be a clear definition of what a 'Peak Body' is in order to properly understand what it will look like, who it will cover, who will be involved, and what its role is.
30. As this has not been defined in detail to this stage of the Royal Commission process, the RSL believes that it should first define the principles by which an ESO Peak Body should operate. Once this has been established, practical issues regarding the structure, funding, authority to operate etc. can be determined.
31. The RSL suggests that the Royal Commission should consider an ESO Peak Body function based on the following principles:
 - The ESO Peak Body should be responsible for providing veteran policy advocacy and advice to Government, Defence and DVA
 - The ESO Peak Body should not be responsible for the administration of the National ESO Service Standards framework mentioned earlier in this paper, but should have an advisory role on the Standards
 - The ESO Peak Body should be kept separate from any consideration of funding requirements, needs, assessment, or distribution
32. The RSL proposes the ESO Peak Body has the following structure:
 - An overarching Advisory Council, made up of elected representatives from the ESO Sector (perhaps the Ministerial Advisory Council outlined below)
 - Four sub-groups comprised of elected representatives of the four ESO categories outlined in Table 1. This can be further broken down among the 'Service Providers' category if required.
 - These sub-groups will provide subject matters expertise on the policy concerns of the category of veterans' services they provide
33. This will be delivered to the Advisory Council in regular reporting cycles. The sub-groups can also be consulted in instances where Government requires advice targeted towards a particular veterans' cohort, issue, or category of service provider.

Consultation with Government

34. To improve consultation between DVA and ESOs, the RSL endorses Recommendations 11.4 and 12.7 of the Productivity Commission Report, including the recommendation to create a Ministerial Advisory Council (MAC).
35. The MAC would report to the Minister for Defence Personnel and Veterans, providing advice on the lifetime wellbeing of veterans and the best-practice design, administration and stewardship of services provided to current and ex-serving members and their families.
36. The Council would be responsible for holding DVA to account for action items.
37. In parallel, DVA would enhance the focus and scope of State and Territory-based Deputy Commissioner Forums to deal with and address Operational issues, with informed reporting and unresolved issues pushed up to MAC.
38. These two forums would be supported by Officer-level to Officer-level communication between DVA and ESOs, which should allow many issues to be resolved before they get to the DC Forum or ESORT level.
39. DVA and members would propose topics for discussion in advance of the meeting - i.e., changes to ATDP, treatment of advocates, funding structures etc. - rather than wait for DVA to talk at the meeting itself.
40. This solution requires each party to take responsibility for the issues they raise and the action items they commit to owning. Where a member fails to fulfil its responsibilities, this will be reported through governance processes and publicly reported, threatening the ability of the member to maintain its seat on the Council.

Membership

41. The RSL suggests a 'Security Council' type membership for both the MAC and the DC Forums - i.e. there will be some permanent members (Royal Commission-selected organisations that would meet strict criteria), while the other ESO/VSO members rotate on a bidding basis decided by a selection board. This will ensure that while the largest service providers among the ESO/VSO community are represented, new ideas and fresh perspectives are also included on a rotating basis.
42. In addition to ESO representation, the advisory council would consist of part-time members with diverse capabilities, including individuals with experience in military or veterans' affairs, health care, rehabilitation, aged care, social services, and other compensation schemes. This will ensure that the Council is skills-based, rather than a politics-heavy entity.