

STRATEGIC PLAN COMMENTS

Following the publication of the Proposed Strategic Plan and the estimated expenditure required to implement the plan, Maroubra Sub-Branch forward the following comments on these matters and some RSL matters in general.

We believe that it is always essential to have a plan to guide our endeavours otherwise we can stray from our purpose and overlook essential elements of what we are trying to achieve.

The current proposed Strategic plan is very comprehensive and covers all aspects of our operations however it also calls for a massive injection of funds from a source yet to be determined at a time that the organisation is almost completely bereft of funds.

As discussed at the consultation – the corresponding funding model concept must be considered by the membership. It must be the RSL NSW strategic plan, funded by the entire League in NSW. It is not an ‘ANZAC House’ strategic plan – ANZAC House is unlikely fund it alone.

We believe that we are in this position because of the overreaction to the fall out following the “Rowe affair”. Including staff movements, legal support for the Bergin Enquiry, the introduction of a new Constitution and numerous cases of high-priced legal advice and opinion to support the State Branch position and even to refute a contrary view. (i.e. Ashurst opinion on Rockdale Group position).

Matters pertaining to Bergin et el, should be lessons learned, and are incorporated essentially in matters in Goal 7.

We also note from Board Communique B05/20 (Governance) that legal advice is being sought from what is almost certainly a high priced legal firm, Clayton Utz, as to the extent of Directors’ duties, which is considered important to members considering seeking a Board position later this year Where are these funds coming from and why are all of these requirements not already enshrined in Legislation, the Constitution and/or SOPs or previous legal advice? Do we assume that the Legal Advisor/s retained on RSL NSW staff, if any, are not considered competent to provide legal advice to the Board?

I am not sure how this is relevant to the strategic plan? The previous General Counsel (no longer an employee) prepared a draft ‘definitive advice’ on the extent of directors’ duties as they pertain to all RSL NSW related entities including sub-Branches, RSL LifeCare, AFOF, Custodian Pty Ltd, RSL WBI etc. This advice was peer reviewed, **pro bono**, by one of Australia’s leading experts on governance matters from Clayton Utz. As it transpired, the ‘in house’ draft advice was not complete as the governance is very complex because of the Act and the Constitution, and as directors’ duties pertain to sub-Branches and the greater organisation. In the interests of transparency this information is now being summarised to be provided to members as it will be useful for anyone seeking a board position. There is a significant difference between ‘old’ state council governance and contemporary governance requirements of a board operating under ASIC, ACNC and legislation requirements. It is reasonable to expect anyone seeking a board position to know the extent of their duties and accountabilities. Previous advice on these matters was disjointed and not cognisant of the revised RSL NSW Constitution and Act. A single legal counsel is retained by RSL NSW per the ACNC’s Enforceable Undertaking (do not forget there was an ACNC investigation into State Branch as well as

Bergin) and provides competent advice to the Board, within bounds of expertise. Critically in the context of the Board, is the need for a strategic direction for the League in NSW. If members do not want to work together across the State, then the League will dissolve, and the other more contemporary ex-service organisations will fill the void. These now number over 450 in NSW alone. However, the option of 'dying out with dignity' was firmly rejected at last year's Congress so the draft strategic plan was prepared to provide a strong future for the League, but it does require future focus, working together and a strong resistance to go back to the past. For information too, ANZAC House has successfully sought other pro-bono legal support to assist with excessive demands, particularly related to numerous property related demands.

We observe that the proposed budget for the Strategic Plan, in excess of \$20M, is for the implementation of the plan over five years. However the current financial position almost certainly dictates that there needs to be a reduction in the scope of the current Strategic Plan and that short term goals be introduced to achieve and maintain our core functions of providing urgent support to Veterans and their families, an efficient Advocacy and Advisory Service for Veterans dealing with The Department of Veteran's Affairs and the provision of a 'go to' point and administrative support to Sub-Branches.

Clarity is required here. This comment does not reflect the F2F consultation? Support to veterans and families is the core focus of the proposed plan – not just members. The advocacy services you refer to above (assuming you are referring to DVA claims etc) are intended to be delivered mainly by trained FT staff, as it is recognised that ATDP requirements are not conducive to maintaining a large sub-Branch volunteer group. Absolutely agree about need for lobbying/influencing policy of Govt role – Goal 2. This position cannot be funded within current budget at RSL NSW, nor is there effective RSL influence capability in Canberra until all States agree a strategic plan there too. As noted above, the funding model concept sees the whole League funding the strategic plan, not just 'ANZAC House.'

A level of funding needs to be introduced to ensure that these basic aims are achieved and that an effective level of staffing of State Branch is maintained. We believe that this can only be achieved by the reintroduction of an account/fund such as the State President's Shield which was, as far as we can tell, funds used to support the administration of State Branch. **The proposal to pool funds is unlikely to meet the approval of most Sub-Branches as the required level of trust will not be met.** Sub-Branches have worked hard to achieve their financial status and, as in our case, most are quite happy to make substantial donations to 'the cause' and other Sub-Branches but are loathe to enter into a pool or centralised investment funding arrangement as experience has shown that any funds directed to State Branch are on a 'one way street' or as others describe it, go into 'The Black Hole'.

This is a key point – as discussed at the consultation the transparency required is essential and recent changes have provided this, from Board transparency through to funds (e.g. Disaster funds and support funds are visible for members to see.) The proposed 'pooled' concept in the strategic plan makes it clear it is not a 'black hole' and the DPC's recently formed working group is developing the concept further. It is recognised that trust is required, without this there is no strategic future for the League. It was pleasing to hear the support for a pooled model at the F2F consultation, and I am surprised by the change conveyed in this correspondence.

We would also like to point out that in many cases Sub-Branch funds have been accumulated from the sale of property which has been developed over time not only by our members but by members of our local communities who have supported our facilities in good faith and still support our commemorations and community events.

An important point – and community connection is a critical part of the proposed strategic plan. Regrettably not all property appreciated at the same rate across NSW, which has created quite a disparity in the ability to support veterans, communities including commemorations, consistently across the State.

We are also now aware that the State Congress planned for December may now be deferred or be shortened. We believe that a full Congress should remain on the Agenda so that Delegates are able to engage and interact with the Board and the Executive prior to the Annual General Meeting. The membership is currently disenfranchised and are subject to the directions of a Board who are largely appointed to fill casual vacancies and an Acting President. Whilst Congress may not rectify this position immediately, it will be able to signal the wishes of the members and instruct the Administration to get on with an election ASAP so that the organisation is being administered by their elected representatives.

The election is to occur in the three months prior to the AGM, scheduled for 6-8 Dec in Newcastle. As conveyed by recent circular and Board Communique' the Congress and AGM are currently been planned in three different scenarios because of the ongoing uncertainty around the pandemic: a 'limited' Congress and AGM (essentially delegates only), a 'full' Congress and a 'Technology' AGM only where delegates will attend virtually via Zoom or Teams. The comment reinforces the importance of having a strategic direction – to ensure the RSL has a strong future in NSW, and as the draft plan suggests, the members hold the Board to account for its implementation. There is no time to delay, a Plan is required and the membership should view the investment required to implement the proposed plan as approximately \$4m /year over five years – and ask is that a significant investment by an organisation as collectively wealthy as it is, to enable a renewal and a steadfast focus on its charitable objects?

SUB-BRANCH AFFILIATION Vs MEMBERSHIP FEES

In addition to the comments above we would like to submit the following for consideration. This may serve to attract members as it would put us on a similar plane to other ESOs who do not charge membership fees but still produce some basic income to sustain our administration.

Amounts in the following are examples only and may need to be more finely tuned to make them more equitable.

Rather than membership fees for members we suggest that we categorise Sub-Branches by the number of **Service Members** and charge an annual Affiliation Fee accordingly.

e.g. 1 – 20 members \$1000.00

21 – 50 members	\$2000.00
51 – 75 members	\$3000.00
76 – 100 members	\$5000.00
100 - 150 members	\$7000.00
150 – 200 members	\$10 000.00
200 +	\$10 000.00 + \$25 per additional member.

This suggestion would need to be looked at – as it may provide an administration fee to complement income from the HPI to keep basic ANZAC House administration functions running, but is not likely to be sufficient to fund the strategic plan and other strategic initiatives.

This is more than current membership fees but would increase income for RSL NSW administration costs.

If applied to all Service Members it would pick up on Life Members and Life Subscribers who no longer pay.

Affluent Sub-Branches may also sponsor one or two; or several, lower category Sub-Branches for the purpose of Affiliation Fees.

This sub-Branch expenditure is not likely to be consistent with ACNC requirements and would require careful consideration. The 'Support and Assistance' fund needs to be modernised and addressed to support sub-Branches in need.

Affiliate Members required to pay \$25 per annum.

All fees to be paid to RSL NSW via their Sub-Branch.

Sub-Branches to continue to maintain a Register of all members and report all changes to RSL NSW in accordance with current requirements.

Is the sub-Branch across the information provided about the new membership system including the sub-Branch 'portal?' This system means there is no need for sub-Branches to maintain a separate membership register. The administration of membership is simplified and will be made more so as we move forward, if the strategic plan is supported.