

CORPORATE PLAN FOR THE ROYAL AUSTRALIAN NAVY RELIEF TRUST FUND 2015/2016 to 2018/2019

INTRODUCTION

1. We the Trustees, as the accountable authority of Royal Australian Navy Relief Trust Fund present the Financial Year 2015/2016 Royal Australian Navy Relief Trust Fund Corporate Plan for the period 2015/2016 to 2018/2019, as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (Cth). The plan is prepared in accordance with the *Public Governance, Performance and Accountability Rules 2014* (Cth).

PURPOSES OF THE ROYAL AUSTRALIAN NAVY RELIEF TRUST FUND

Royal Australian Navy Relief Trust Fund

2. The Royal Australian Navy Relief Trust Fund (the Fund), subject to and in accordance with *Services Trust Funds Act 1947* (Cth) and the *Royal Australian Navy Relief Trust Fund Regulations 1951* (Cth), apply the Fund to provide benefits for members of the Australian Defence Force (ADF) who have served in, or in association with, the Royal Australian Navy (RAN) and to the dependants of such members.

Keeping Watch

3. On 12 Aug 13 the Trustees of the Fund resolved to establish the ‘*Keeping Watch*’ program within the Fund with the object of providing for the comfort, recreation or welfare of a person who is currently appointed or enlisted as a Permanent or Reserve member of the RAN. The Fund has received Deductible Gift Recipient status for the ‘*Keeping Watch*’ program and all gifts and deductible contributions received by the ‘*Keeping Watch*’ program will only be used for the object of the ‘*Keeping Watch*’ program.

OPERATIONAL ENVIRONMENT

4. The Fund is a statutory independent body created by the *Services Trust Funds Act 1947* (Cth). The Fund reports to, and the Trustees are appointed by, the Assistant Minister for Defence. The Fund is a separate legal entity to the Commonwealth, the Department of Defence, the ADF and the RAN.

5. The Fund is part of the Defence Portfolio although it does not receive funding through a budget appropriation nor does it receive cash funding from the Department of Defence. The Fund is provided with office space, personnel, information technology and other support from the Department of Defence to enable the operations of the Fund.

6. The main sources of income for the Fund are donations, administration fees, and interest accrued from investments. Income is required to accrue sufficient reserves to provide loans and grants of approximately \$7 million per year. The Fund’s main operating costs are

associated with accounting, administration, insurance, audit and other miscellaneous expenses.

7. The Fund operates in a restricted market sector with products and services only available to ADF members who have served in, or in association with, the RAN and to the dependants of such members.

PERFORMANCE

Intended results of the Royal Australian Navy Relief Trust Fund

8. The intended results of the Fund are to provide benefits to eligible persons in a timely, relevant, and meaningful manner.

How the Royal Australian Navy Relief Trust Fund will achieve its intended results

9. The Trustees have determined that the Fund will provide the benefits, subject to available funding, listed in the below table to any preconditions for each type of benefit as determined by the Trustees from time to time having been met.

Benefits provided by the Royal Australian Navy Relief Trust Fund (excluding Keeping Watch Grants)

General Purpose Loan	\$6,000
Special Purpose Loan	\$5,000
Christmas Loan	Subject to sufficient funds being available, up to \$1,000
Benevolent Grant	As determined by the Trustees

10. The Trustees have determined that, at this time, all gifts and deductible contributions received by the 'Keeping Watch' program will be used to provide a grant, subject to available funding, of up to \$5,000 (unless exceptional circumstances exist) for the welfare of an individual person who is currently appointed or enlisted as a Permanent or Reserve member of the RAN.

How the Royal Australian Navy Relief Trust Fund's performance in achieving its intended results will be measured

11. The Fund's performance in achieving its intended results will be measured through a survey of those who received benefits from the Fund, including the *Keeping Watch*, were provided in a timely, relevant, and meaningful manner. Further feedback will be sought from Commanding Officers, Unit Personnel Officers and others who are involved in managing and/or administering recipients of Fund benefits. As part of this survey eligible persons will

be asked to identify additional ways in which the Fund could provide other or greater benefits which are relevant and meaningful.

CAPABILITY

12. The Fund is provided with office space, personnel, information technology and other support from the RAN and the Department of Defence to enable the operations of the Fund. In addition, all of the Trustees are volunteers and are currently serving members of the RAN.

13. As such, the capability of the Fund to fulfil its purpose is highly dependant on the ongoing support of the RAN and the Department of Defence. Accordingly, the Trustees seek to work closely with the senior leadership of the RAN and the Department of Defence to demonstrate the ongoing advantages of the Fund in supporting Navy and Defence activities through assisting members of the ADF who have served in, or in association with, the RAN and to the dependants of such members.

RISK OVERSIGHT AND MANAGEMENT

14. The Trustees are committed to embedding risk management as part of the culture of the Fund to ensure that the intended results are achieved. The Trustees have defined 'risk' as the 'effect of uncertainty on achieving intended results' and 'risk management' as the 'coordinated activities to direct and control an organisation with regard to risk'.

15. The Trustees have developed and continually review the Fund's Risk Management and Fraud Control Policy. The key points of the Risk Management and Fraud Control Policy are that Trustees:

- a. have a low appetite for risks relating to health, safety and wellbeing of the Trustees and staff, administration of finances and assets, and legislative compliance.
- b. have a medium appetite for risk where benefits created by potential innovation outweigh the risks in other areas of the Fund's operations particularly where the innovation will result in improved service delivery, and/or increased efficiency and effectiveness of the Fund's operations;
- c. will take all reasonable measures to prevent, detect and deal with fraud relating to the entity;
- d. are, with the assistance of the Fund's staff, responsible for the management of risk;
- e. are, with the assistance of the Fund's staff, committed to developing a positive risk culture and ensuring that the systematic management of risk is embedded in key business processes;
- f. will, with the assistance of the Fund's staff, communicate and consult about risk in a timely and effective manner to both internal and external stakeholders;
- g. are, with the assistance of the Fund's staff, committed to understanding and contributing to the management of risks shared with external stakeholders;

- h. are, with the assistance of the Fund's staff, responsible for developing and implementing the Fund's Risk Management Framework; and
- i. will, with the assistance of the Fund's staff, review the Fund's risks, Risk Management and Fraud Control Plans (including Risk Register), Records Policy Management Manual, Rules, and Standard Operating Procedures and the application of its Risk Management Practices on a regular basis, and implement improvements arising out of such reviews.

16. The Trustees have resolved to transition the Funds approach to risk oversight and management to comply with the *Commonwealth Risk Management Policy and Commonwealth Fraud Framework* under the *Public Governance, Performance and Accountability Act 2013* as applicable to the Funds activities. It is intended this transition will be completed by 30 June 2016.

OTHER MATTERS

- 17. This Corporate Plan has been endorsed by the Trustees of the Fund.



B.S. Wolski
CDRE, RAN
Chair
Royal Australian Navy Relief Trust Fund

25 August 2015