

YMCA Australia Membership Review

YMCA NSW

Executive Summary

For a Member Association to satisfy the membership requirements detailed in the Articles of Associations of the National Council of YMCAs, they are required to undertake, from time to time, a review which is measured against standards developed by the National Board.

YMCA NSW undertook such a Review between Tuesday 6 and Friday 9 October 2015. The review team consisted of:

- Peter Newling – Review Coordinator
- Ron Mell – CEO YMCA Australia
- Glyn Davies – CEO YMCA Whittlesea
- Ru Thomas – Finance Manager, YMCA Victoria
- Olivia Brown – National Office
- Alli Carr – Risk Manager, National Office
- Anthony Edgar – Area Manager, YMCA Victoria

The Review Team was instructed by the National Office to complete a full review of YMCA NSW. The specific sections covered by the full review are listed below:

- Mission Focus
- Community Engagement and Social Inclusion
- Future Thinking
- Good Governance
- Good Decision Making
- Being and Employer of Choice
- Good Programs and Services
- Good Communication
- Systems and Processes

The Review Team assessed each relevant standard through sighting evidence of compliance, and developed written comments for each criteria. A report was then written by the Review Team and presented to the Association Board and also to the YMCA Australia Board's Licensing Committee.

In the spirit of continuous improvement, the contents of the report make reference to recommendations and actions given in good faith to the YMCA Board to assist the YMCA Member in achieving competency against the agreed standards.

In November 2014, the National Board, with the approval of the Movement, agreed a list of five Priority Standards. These appear below, along with the applicable measure, and a commentary around this Association's compliance with each standard.

Priority Standard 1: The Member's activities contribute to the YMCA mission and are aligned to YMCA values.

Measure: *Member Associations can demonstrate that all of its activities contribute to meeting the YMCA mission and are aligned to YMCA vision & values. Evidence exists that the Member has considered the activities (including services and investments) undertaken by their Association and its subsidiaries with a view to ensuring all are aligned with the YMCAs mission, vision and values*

Result: Meets Standard.

Refer to recommendations in Mission Focus, questions 1.101 & 1.102; and Good Decision Making, question 2.102.

Priority Standard 2: The Member maintains its charitable tax status.

Measure: *The Member complies with the Australia Charities and Not For Profit Commission (ACNC) & Australian Taxation Office (ATO) legislation. The Member is registered for charity tax concessions and/or as a Public Benevolent Institution (when relevant).*

Result: Meets Standard.

Refer to Requirements of Charter Membership of the National Council, question 7.

Priority Standard 3: The Member meets all requirements of the YMCA Safeguarding Children and Young People Policy (Movement Child Protection Policy).

Measure: *The Member can demonstrate compliance to all requirements of the YMCA Child Protection Policy.*

Result: Meets Standard.

Refer to recommendation noted with Good Systems & Processes, question 2.218.

Priority Standard 4: The Member is trading in a position of solvency and its financial accounts accurately reflect its financial position.

Measure: *The Member can demonstrate ability to meet all its debts as and when they fall due. The Member can provide accurate and detailed financial performance reports that clearly inform the Directors of the financial position of the Member Association regularly. The Member has evidence that asset values and liabilities are accurately reflected in the accounts. The Member has completed valuations of assets as required by regulatory and professional bodies.*

Result: Meets Standard.

Refer to Future Thinking, question 4.103; Good Decision Making, question 2.103; and Good Systems & Processes, questions 2.209, 2.210, 2.214 & 2.215.

Priority Standard 5: The Member meets relevant Health and Safety legislation and complies with the YMCA National risk and incident management framework.

Measure: *The Member can demonstrate compliance with State/Territory and Commonwealth workplace health and safety law; YMCA risk management systems; and YMCA incident and accident management is in place.*

Result: Meets Standard.

Refer to recommendations noted with Good Systems & Processes, questions 2.217, 2.219, 2.220, 2.221 & 2.222.

A summary of the key findings of the Review appears below. This Executive Summary should be read in conjunction with the full report, to give a more holistic picture of the findings of the Review – not just the specific recommendations as listed below.

The Review was conducted during a period of significant change for the Association. The general feeling is that the YMCA is heading in the right direction, having survived one of the most difficult periods of its long history. The change journey has been thoroughly established and started, and the Review Team is keen to encourage the senior leadership of the YMCA of NSW – both Board and staff – to continue to engage local staff and management in the that process.

Mission Focus:

The Review Team is satisfied that a clear sense of Mission is developing across the operations of the YMCA of NSW. The Mission is clearly embedded in the Strategic Plan and supporting documentation. There is a purposeful cultural shift in focus from responsive growth (responding to tendering opportunities) to a greater emphasis on providing services in community which most need the YMCA's Mission impact.

The Review Team sensed some degree of separation between the clear strategy depicted by those in Parramatta and that reported by those at 'the coal face'. It is going to be vitally important for the CEO and her senior managers to continuously communicate the change messages, until they have thoroughly pervaded the entire organisation. The Review Team make this recommendation fully aware that the change process is currently in its infancy.

There is a sufficiently clear line of sight between the Strategic Plan (founded on the Mission), the business planning and budgeting processes. The Board receives regular updates on the achievement of the strategic and business planning processes, so can draw comfort that the Mission is being achieved.

The YMCA of NSW is taking steps to becoming a significant and generous contributor to the wider YMCA Movement.

Recommended Actions in this area:

Nil

Community Engagement and Social Inclusion:

YMCA of NSW has a current focus on redefining partner quality - both in terms of its quality as a trusted partner, but also in its expectations of funders as partners. This focus will completely change this Association's approach to contract management.

Stakeholders interviewed as part of the Review (mainly Council partners and school principals) spoke highly of the YMCA's quality as a partner - especially in relation to delivering on contractual requirements.

The view of the YMCA as a generous contributor to community skills and knowledge was variable from place to place.

The Review Team is satisfied that YMCA NSW has sufficient focus on ensuring that its programs and services are accessible to all, and that the make-up of the staff and Board adequately reflect the communities they serve.

Recommended Actions in this area:

1. *That the Board satisfy itself that an appropriate organisation-wide process is in place for determining the allocation of fee relief.*

Future Thinking:

The Association has an appropriate three year Strategic Plan in place. The plan references the broader plans of the National movement, and there is a clear line of sight between the plan, the budget and the business planning process.

The plan is based on the achievement of three pillars:

- Strengthen the foundation
- Optimise services and align to our purpose
- Engage, influence and adapt to changing community need.

The Review Team found a diversity of views in relation to staff's capacity to contribute to the future direction of the organisation – whilst some felt very engaged and empowered by the change process, others reported feeling disenfranchised and 'left behind'. This is an understandable outcome given the amount of change that has recently occurred. The comments were forthcoming from staff and therefore have been reported in this area of the standards.

Despite the current financial difficulties, the Association shows positive signs of long term financial strength.

Recommended Actions in this area:

1. *That the Board ensure that a Business Continuity Plan (or equivalent) be implemented as part of the 2016 Risk & Compliance Framework*

Good Governance:

The Review Team is satisfied that the entity is being run in accordance with its governing documents, and that the Board is fulfilling its legal duties and responsibilities.

The Review Team notes the current work going into the development of a Board Charter - the requirements of which will serve to reinforce compliance with the legal and ethical responsibilities of governance.

Board members reported being very satisfied with the quality and quantity of information they receive in order to make good decisions.

All Board members were able to clearly articulate the specific skills and connections they bring to the Board. Recent moves to strengthen the Board's expertise in safeguarding children and advocacy are to be applauded.

An externally facilitated skills and processes audit was conducted last year, with a focus on reviewing skills and capabilities, as well as agenda and papers. The Board reviews its performance at the end of each Board meeting.

Recommended Actions in this area:

1. *That an annual Board self-assessment process be added to the Governance calendar.*

Good Decision Making:

YMCA NSW is in the process of developing a new service delivery model, based on a community by community approach to the satisfaction of local need. This new model will be based on the utilisation of community data in developing an appropriate suite of programs and services for that community. The Review Team applauds the management of YMCA NSW for this initiative, and strongly encourages them to share the model with the wider YMCA Movement once it's in place.

There is a broad current focus on honesty and openness pervading the work of the YMCA in NSW, as an important function of the new Strategic Plan, and this is resounding positively amongst staff.

It is interesting to note that a fifth value - 'safety' has been added to the stated values of the organisation. Given that the four core values are a nationally agreed piece, the National Board will determine whether the national values need to be reviewed in light of the research behind the addition by YMCA NSW of the value. The Review Team will recommend to the national Licensing Committee that they consider a contemporary review of the agreed values.

Recommended Actions in this area:

Nil

Being an Employer of Choice:

The Review Team experienced a mixed response from staff in relation to their perception of the YMCA as an employer of choice. Please refer to question 1.201 to get a sense of the feedback offered by staff to this question.

There is strong evidence that all employees and volunteers undergo an extremely thorough online induction/orientation process prior to commencement of employment.

A comprehensive performance appraisal process is currently being implemented for 2015/16, whereby staff working 15+ hours per week are included in an appraisal process.

Recommended Actions in this area:

1. That the Board satisfy itself that appropriate systems and processes exist to:
 - recognise outstanding staff and volunteer performance
 - acknowledge the role staff have played in dealing with the difficult circumstances of the past two years
2. That the Board ensure that the implementation of the performance appraisal system is completed satisfactorily.

Good Programs and Services

The Review Team notes that several strategies are in place to ensure that a common philosophy of "why we do what we do" underpins the service provision of YMCA NSW. These strategies include the implementation of a Stakeholder Mapping exercise, a clear focus on the reduction of siloism across the diverse industries that the YMCA works in, Creating a 'whole of organisation' focus in describing desired outcomes of the work, and a focus on developing ways to measure impact.

The Review Team notes the enormous amount of work that has gone on over the past 18 months to ensure that YMCA NSW programs and services meet internal and external quality standards. The Review Team applaud the sophistication of the project implementation of this work.

Recommended Actions in this area:

Nil

Good Communications

Evidence reviewed confirmed that the use of the YMCA name, logo and trademarks by the Association is excellent, and that they are being used in accordance with the approved protocol as outlined in the Graphic Standards Policy, and the licence document.

The Association has appropriate policies in place governing the use of social media.

Recommended Actions in this area:

Nil

Systems and Processes

The Review Team examined systems and processes utilised in the following areas:

- Human Resource Management
- Financial Management
- Risk Management

The Review Team found that the majority of systems and processes are based on a comprehensive suite of policies, and meet the agreed standards as detailed in the Review requirements. In the spirit of continuous improvement, there are a number of adjustments which have been recommended to align these systems and processes with YMCA standards.

Recommended Actions in this area:

1. *That the Board consider changing auditors every few years, in line with best practice.*
2. *That the Board be provided with a regular report certifying that the following financial reports have been submitted and paid in accordance with all regulatory requirements:*
 - *Business Activity Statement*
 - *PAYG ATO returns*
 - *Superannuation remittance*
 - *WorkCover returns*
 - *Insurance premiums*
 - *ACNC lodgements*

and that this report be signed off by the CFO and Treasurer.
3. *That the Board ensure that all documentation makes reference in the appropriate sections to the requirement to report to YMCA Australia, as per Insurance and Safeguarding Children requirements.*
4. *That the Board ensure that the planned preventative maintenance tools continue to be developed and the system is rolled out across the organisation as soon as practicable.*

General:

The Review Team makes the following recommendations to the Licensing Committee of the National Board:

1. That the Licence and Charter Membership of the Young Men's Christian Association of Sydney Inc (trading as the YMCA of NSW) be continued.
2. There are no known or observed breaches of the YMCA Priority One Standards
3. In the spirit of continuous improvement the recommendations contained in the report are considered by the YMCA of NSW.

