

501/23/4

Flag Officer Portsmouth

20 November 1981

THE VOLUNTARY SPORTS SUBSCRIPTION SCHEME (VSSS) - A NEW APPROACH

References:

- A. DCI(HN) 368/76
- B. Lotteries & Amusement Act 1976

1. The VSSS, introduced in 1980, is funded by voluntary subscription from serving naval personnel. The proceeds from these subscriptions help to provide sports equipment and facilities which are not funded under Navy Votes but which are, nonetheless, highly desirable.
2. Despite much promulgation in DCIs and noticeboard publicity there was, and still is, a less than wholehearted response to the scheme. Only some 21% of those eligible to contribute do so - detailed figures are at Annex A. The other 78% cannot be wholly non-sporting or uninterested in sport and it can only be assumed that the VSSS as presently constituted has either not caught their imagination or people feel that there is no identifiable return for their subscriptions. Some undoubtedly consider that provision of sports facilities is a Ministry of Defence responsibility.
3. It is respectfully suggested that the original concept of the VSSS lacked imagination and ambition. Even if 100% of those eligible to join did so the annual income would amount only to some £150,000 per annum.
4. The proposal at Enclosure 1 was originally considered in HMS MERCURY by the Local Awards Committee of the Ministry of Defence Suggestion Scheme. It was not considered to be within the scope of the scheme at that time but the revised proposal could be deemed admissible under paragraphs 2f and 2g of Reference A, and if accepted, it will be considered at Establishment level for a local award.
5. To summarise briefly, the proposal envisages a monthly stake of £1 deducted from pay using an amended version of the current VSSS entry form. Each month a draw would be held and 50% of the subscriptions would be distributed as prizes. The exact size and distribution of prizes would be for negotiation to ensure that legal requirements were met, but it is confidently believed that very few people would not wish to take part - certainly 80% participation might be assumed. It is estimated that such participation would increase the funds available to the VSSS to some £300,000 per annum and probably more.

6. It is understood that previous suggestions for a 'Naval Lottery' have foundered on the reluctance of HMS CENTURION to undertake any additional task which would increase the loading on the computer. It is submitted that the proposal at enclosure would add very little to the work already done for the present VSSS but if extra staff were required the costs could be recovered as operating expenses from the total money subscribed.

7. The enclosed proposal has met with interest, enthusiasm and eagerness to participate by those in HMS MERCURY who have been consulted; it is forwarded for consideration in the confident belief that this is an imaginative and worthwhile scheme which would benefit the Navy. At a time when all the news is of cuts, contractions and economies the boost to morale which this scheme might give could be out of all proportion to the organizational effort required for its establishment and operation.



G A PLUMER
Captain

Annex:

- A. VSSS membership

Enclosure:

1. Lottery System proposal by PCRS DYKES

Copy to:

DNPTS

THE VOLUNTARY SPORTS SUBSCRIPTION SCHEME (VSSS)

A NEW APPROACH

1. Introduction. The VSSS is currently supported by monthly subscriptions from pay of twenty pence (20p). There were, in mid October, 1981, 15,288 participants producing an annual income of £36,691.
2. As only some 20.5% (15,288 out of 74,569) of active service personnel have joined the scheme it is inferred that despite considerable publicity it has not caught the imagination.
3. The proposal below would be popular, involve minimal extra work, and could result in the income of the VSSS being increased to £312,000 per annum - probably even more.
4. The proposal. The present VSSS subscription of 20p should be replaced by a monthly 'stake' of £1. This would be deducted from pay using an amended version of the present subscription form (C41).
5. The gross amount raised through subscriptions should be divided 50:50 between the VSSS and the prize money.
6. On a fixed day of each month a printout from the pay computer should be produced. This printout would contain each subscribers name etc, together with a serial number (which would run from 1 to the last number, the last person recorded as being in the scheme).
7. A subsidiary program on the computer - or a separate program on any small computer - would then be set to produce a series of random numbers: when checked across to the numbers generated on the computer printout of VSSS subscribers this would give the prizewinners.

Example:

Active strength of the Navy (say)	65,000
80% participation	52,000
Division of income :	£26,000 to VSSS, £26,000 to Prizes

The £26,000 can be divided any number of ways, but under current legislation it is believed that regular lotteries can only award a maximum prize of £2,000. If this is to be the limit, then the computer could be set to produce random numbers as follows:

TEN numbers for £2,000 prizes	=	£20,000
FIVE numbers for £1,000 prizes	=	5,000
TEN numbers for £100 prizes	=	1,000

Any odd sums remaining could perhaps be carried forward to a bumper Christmas prize list with even higher prizes or more £2,000, £1,000 or £100 prizes.

The Present VESS had a membership as shown hereunder in Mid-October 1981:

	<u>OFFICERS</u>	<u>SENIOR RATINGS</u>	<u>JUNIOR RATINGS</u>
Total MW Bearing (Active List)	10,439	20,699	43,431
VESS Subscribers	3,241	2,539	9,508
Subscribers as a Percentage of totals	31%	12%	21.8%
Overall Percentage Membership (15,288 out of 74,569) = 20.5%			
Income by status	£7,778.40	£6,093.60	£22,819.20
<u>Total Annual Income:</u>	<u>£36,691.20</u>		

Note: The above figures were correct for mid-October 1981, but there are, of course, constant changes as people join and leave the Service etc. Nonetheless, it would be fair to say that the income of the VESS as presently constituted would continue to average £35 - 40,000 per annum.

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D/DNPTS/7/5D

The Captain
HMS MERCURY

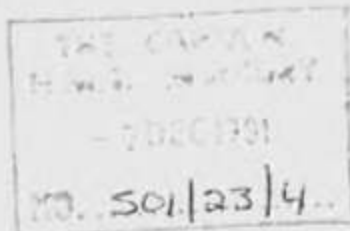
2 December 1981

THE VOLUNTARY SPORTS SUBSCRIPTION SCHEME

Reference: HMS MERCURY's 501/23/4 dated 20 Nov 81 - rlf

1. The VSSS was born of the need to generate additional non-public funds to finance the running of sport in the Royal Navy. Though an imaginative concept it is limited (realistic) in its scope and was dedicated, in the first instance, to just 4 purposes. The philosophy behind the scheme is that it should receive the voluntary support of those serving naval personnel who recognize the importance of sport in the Royal Navy and are prepared to make a regular, modest, contribution towards the financing of it.
2. After 19 months the scheme has a membership of over 15,000 contributing in excess of £36,000 in a full year. Membership has increased every month. The four original purposes are being met and a fifth purpose, the financing of sports projects of the kind submitted to the Sailors Fund and FAF has recently been approved.
3. The scheme, already, therefore, a qualified success, is still very much in its infancy. It deserves an extended trial period (say 3-5 years) in order to establish itself and certainly, on performance so far, there is no reason for radical change.
4. The idea of a lottery has been given serious consideration and is not without its attractions. But, at least for the present, it is not intended to proceed with it. The reasons for this are briefly as follows:
 - a. VSS is coming along nicely and deserves a longer trial.
 - b. Whilst VSS is a voluntary contribution to a good cause, a lottery is a gamble and the motives for entering are venal! It is doubtful whether such a device would be acceptable to the Admiralty Board.
 - c. The Commodore, HMS CENTURION, has advised that, on a number of counts it is impracticable to use the pay computer for this purpose; he also considers it inappropriate.
5. DNPTS is most grateful for the constructive interest demonstrated by FCRS Dykes's paper. For the time being however our efforts should be directed towards encouraging increased membership - in HMS MERCURY and elsewhere - of the existing, modest, sensible and thoroughly worthwhile VSS Scheme.

Info:FOP



[Signature]
RVJ WRIGHT
Captain Royal Navy

LET'S HAVE A LOTTERY!

DESPITE our tragic losses, it must be recognised that the Falklands crisis has been an excellent morale booster to the British Forces, and especially to our own boys and girls who served in the South Atlantic.

All of them, including the pre-Falklands redundants, PVRs, and RDPs, are currently on a "high" and share an esprit de corps not seen or experienced in many a long year.

Inevitably, that high will be supplanted by an anti-climax and it is up to all of us to lessen the slide by learning from the lessons of battle to redress the operational shortcomings in our training equipment, and simultaneously to better certain aspects of Service life by more imaginative approaches.

NOVEL

One such approach would be to establish our own naval lottery. There are many ideas, but the following proposal is novel, should be easy to administer and be good for the Fleet.

The proposal is based on the existing Voluntary Sports Subscription, but could equally be applied to a naval charity or any other "self-help" scheme which directly benefits serving naval personnel. It greatly increases the amount of money available for sporting activities and gives voluntary subscribers a chance to win substantial monthly prizes. Everyone in the Navy would stand to gain, and we would be putting our money into our own system and not into the local city or town lottery.

BASIC UNIT

If a prize element is an integral part of the VSS, many more might subscribe — and I am assuming that 80 per cent (of 65,000) would enter.

The present direct debit VSS monthly contribution of 20p could be replaced by a direct debit "basic unit" of £1, up to a maximum of £5 a month. Each basic unit would purchase the

LETTERS to the Editor

Navy News, Barham Block,
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equivalent of two lottery tickets, which would give the subscriber two attempts at winning a monthly draw prize. Gross amounts raised per month would be apportioned 50 per cent to monthly prizes, and 50 per cent to the VSS.

If VSS membership was 52,000 (80 per cent of 65,000) and each member bought just one basic unit (although in reality many would buy more), total gross monthly income would be £52,000.

And if 50 per cent of this was apportioned to the VSS, that would be £13,000 per annum.

A series of prizes would range from £13,000 first, with possibly different arrangements at Christmas so that a charity could also be helped.

The system of picking prizes could rest with our friends in Centurion at no great cost. Service numbers could be used (omitting the letter suffix and prefix) by typing into the computer (random selector) a person's Service number twice for each basic unit held. Winning numbers would be published each month.

I wonder what others think of the idea. — G. Dykes, FRCS, HMS Mercury.

● *The VSS is still in comparatively early days.*

Whether it is practicable to operate the kind of scheme suggested, or whether it would receive official approval, is another matter, but it is certainly an interesting approach. — Editor.

Distribution

Captain	1st Lieutenant
Cdr	CAO
Cdr. TR	<u>591/23</u>
SO	
SOCT	
WEO	

MINUTES OF THE LOCAL AWARDS COMMITTEE OF THE MINISTRY OF DEFENCE
 SUBSCRIPTION SCHEME HELD IN THE SMALL CONFERENCE ROOM, HMS FERREBY
 1400 2nd NOVEMBER 1981

Present:

Commander D W PIKE	Chairman
Commander R LANE	Vice Chairman
Lt Cdr D L THOMAS	Secretary
Lt Cdr A R EVANS	1st Lieutenant
Lt Cdr J W PURVIS	SOCT
Lt T CRAMER	WEO

ITEM 1 - MINUTES OF LAST MEETING

1. The minutes of the last meeting, held on 1st October 1981, were agreed.

ITEM 2 - MATTERS ARISING

2. The Secretary reported that the Captain had approved an 'encouragement award' of £5 to PORS DYKES for his recent suggestions. Mr DYKES had expressed his appreciation and had asked that the award be donated to the King George's Fund for Sailors. This has been done.

ITEM 3 - THE NAVAL LOTTERY

3. The possibility of a Naval Lottery was discussed at the last meeting of the MODSS and had been referred back to Mr DYKES (assisted by the Vice-Chairman) to resubmit as a replacement for the present Voluntary Sports Subscription Scheme. A new scheme had therefore been prepared which envisaged a monthly subscription of £1 per member using an allotment or revised version of the current VSSS entry form. CENTURION figures for VSSS showed that only 20.5% of the Navy's strength subscribed with the annual income in the range £35-40,000. If this lottery scheme were implemented and assuming 80% participation, the income would rise to over £300,000 annually. The Chaplain's views as to the morality of such a lottery had been ascertained: he had no objection. The details of the proposed scheme were discussed and it was unanimously decided to forward the proposal to Flag Officer Portsmouth for favourable consideration. The question of an award would be addressed at a later meeting. (Action: Secretary - letter).

591/23
 CAPTAIN
 HMS FERREBY



501/23

FCRS G Dykes
HMS MERCURY

HMS MERCURY
Petersfield
Hampshire
GU32 1HE
Petersfield 2761-5

8 October 1981

Dear Mr. Dykes,

MOD SUGGESTION SCHEME - PROPOSALS

The Local Awards Committee met on 1 October to consider your proposals for movement economies, a composite Travel Expense claim form and a Naval Lottery.

As you would expect, these proposals were staffed before reaching the committee so that the various 'experts' could express a professional opinion. Unfortunately, each proposal that you made had a pitfall which the committee considered to be significant enough to make the proposals unworkable in their present form, and I understand that you have seen the discussion of your suggestions in the appropriate files.

The committee was therefore unable to recommend an award for your suggestions under the scheme, but nevertheless was impressed by the considerable detailed effort which you had devoted to them. New ideas are easy targets to shoot down but not so easy to produce in the first instant and in recognition of your efforts they have recommended a merit award of £5 which I am pleased to confirm.

I am only too conscious that this sum is insignificant nowadays but unfortunately it is all that can be awarded under this heading; its aim is to encourage new ideas and mark an appreciation of your efforts.

You should apply to the Supply Officer Cash for payment using this letter as authority.

The rules of the scheme allow authors of suggestions to remain anonymous, if they so wish. However, I intend to publicise your award within HMS MERCURY to encourage others to make suggestions unless you inform me to the contrary.

I am sorry that this is so abrupt but please don't stop producing ideas - Well done!

Yours sincerely
Donald Plumer