

4.9 SCOUTS ACT REAL PROPERTY POLICY

PURPOSE

1. The purpose of this Policy is to provide a consistent framework for decisions by The Scout Association of Australia Australian Capital Territory Branch Incorporated (Scouts ACT) regarding the acquisition, management and disposal of 'real property'.

SCOPE

2. This policy applies to all Scouts ACT formations, including Groups, Regions, campsite committee and other Scouts ACT bodies including the BEC and its subcommittees, with real property responsibilities.
3. Acquisition and disposal includes the purchase or sale of freehold property, and the obtaining or relinquishing of a lease, licence or other legal permission to occupy and use premises.
4. The policy does not cover detailed requirements for day to day management activities such as project management, maintenance, duty of care responsibilities, or work health and safety (WHS) matters – which are/shall be covered by other policies and procedures, guidelines and/or manuals. The policy does not cover grants programs.

CONTEXT

5. Scouts ACT recognises the importance of its property portfolio in the delivery of the Scouting program, and acknowledges the contribution of the volunteers who have worked with the local communities to acquire, develop and maintain facilities for the benefit of the young people in their areas. Scouts ACT also recognises that this property portfolio has significant financial value and requires active, but prudent, management to ensure that these resources are put to best use.

DEFINITIONS

BEC: The BEC is the executive committee of the Branch elected and appointed by the Branch Council to manage the business of the Branch except for matters the Constitution reserves to the Branch Council¹.

Branch Strategic Plan: A document approved by the BEC that defines a Vision and Mission for Scouts ACT and outlines a series of strategic priorities to grow and develop Scouting, with associated actions and initiatives.

Camp Cottermouth Committee: BEC sub-committee managing the development and operations of Camp Cottermouth.

Emergency Works: Works required urgently to make a property safe from damage and people safe from injury.

Principal Administrative Officer (PAO): The member of staff of Scouts ACT so designated by the BEC and responsible for the Branch administrative management.

Property and Assets Committee (PAC): BEC sub-committee dealing with property matters. Its membership is determined by the BEC. Its terms of reference are on the Scouts ACT website.

¹ cf Clause 23, Constitution of the Scout Association of Australia, Australian Capital Territory Branch Incorporated
4.9 Real Property - August 2018.docx

Property Manager: The property manager is the formation or body so designated by the BEC. For a scout hall, ordinarily the property manager will be a Scout Group, for a scout campsite, the campsite committee. Otherwise the property manager will normally be the Scouts ACT body making greatest use of the property.

Real Property: 'Real property' means land and improvements, including freehold and leaseholds as well as land and improvements held or occupied under licence or other legal instrument or arrangement. It is used to differentiate it from other forms of Scout property such as equipment and building contents.

Strategic Review: A process that determines the rationale for the acquisition or disposal of real property, showing a clear strategic need or absence of need of it for Scouting purposes. The process will include a consideration of options and alternatives, a business plan, a financial plan, and evidence of support from the local community and/or external funding bodies. The deliberations and outcomes shall be recorded for future reference.

Works: 'Works' includes maintenance works, improvements to existing buildings and grounds, and the construction of new halls or any other type of facility.

POLICY STATEMENT

6. All documents pertaining to the ownership of real property by Scouts ACT, and all documents granting formal legal permission to occupy and use premises not being premises owned by Scouts ACT, shall be in the name of the incorporated body – The Scout Association of Australia Australian Capital Territory Branch Incorporated, ABN 95 108 207 854.
7. All Scouts ACT property will be actively managed, and a Property Manager will be designated for every property. The Property Manager's responsibilities are detailed later in this document.
8. Freehold or leasehold property will be acquired or disposed of only when a strategic review has been undertaken that concludes, after all relevant formations have been consulted, that the action provides the best option for programme delivery and the best long-term financial outcome.
9. The BEC is the only body that can approve acquisition or disposal of real property and the common seal is to be affixed to papers dealing with these transactions wherever possible.
10. The first call on the proceeds of disposal of any real property shall be to pay any outstanding debt on the property and any costs associated with its disposal. The BEC will determine the use of residual disposal proceeds but ordinarily they should not be used to meet general operating costs of Scouts ACT.
11. All funding for any project to acquire real property or undertake works, must be in place before proceeding with the project.

SCOUTS ACT BODIES' RESPONSIBILITIES FOR REAL PROPERTY

12. **BEC.** The responsibilities of the BEC in respect of real property are to:
 - a. oversee the acquisition, management and disposal of real property for Scouts ACT
 - b. seek and allocate funds for the purchase of real property and the undertaking of works
 - c. approve the sale and purchase of real property (this responsibility shall not be delegated)

- d. approve the acquisition and relinquishment of leases and licences (this responsibility shall not be delegated, other than for short-term licences and rentals)
- e. ensure all documents pertaining to the ownership of real property by Scouts ACT, and all documents granting permission to occupy and use premises not owned by Scouts ACT, are in the name of the incorporated body
- f. designate a Property Manager for all Scout properties including those not used for Scout Program activities²
- g. appoint sub-committees as deemed appropriate to make recommendations about the acquisition and disposal of real property³ and to assist Property Managers in their tasks
- h. where the cost of works is higher than the delegated authority of other formations, consider and, if thought fit, approve proposals for works
- i. ensure financial delegations in respect of real property matters are reviewed and updated annually

13. PAC. The PAC's responsibilities in respect of real property are to:

- a. Make recommendations to the BEC on the acquisition and disposal of property and entering into lease or licence agreements or relinquishment of leases and licences – for scout halls, campsites and other real property in accordance with their current terms of reference
- b. Where the cost of works is within its delegated authority, consider and, if thought appropriate, approve works proposals forwarded by a formation
- c. Where a delegation exists to manage funds for works⁴, develop guidelines for grant applications and assessment criteria, allocate grants and instigate reporting and acquittal processes
- d. Work with the PAO and/or relevant staff, in liaison with any relevant Property Manager, with respect to any proposed lease, licence or other permission to occupy and use premises and proposals to acquire or dispose of real property
- e. Work with PAO to prepare support material for Property Managers
- f. Liaise with other BEC sub-committees to assist Property Managers in complying with their responsibilities
- g. ensure all real property is valued regularly for financial records and insurance purposes
- h. ensure all real property is properly insured against loss or damage

14. Camp Cottermouth Committee. The Cottermouth Committee's responsibilities for real property are to:

- a. act as Property Manager for Camp Cottermouth

15. Chief Commissioner. The Chief Commissioner's responsibilities for real property are to:

- a. identify requirements for real property necessary for the development of Scouting and for the delivery of the Scouting program in areas where no suitable facility exists, and identify real property no longer required for Scouting program purposes

² That is, investment properties and those used for administrative support eg Branch headquarters.

³ Each to have clear and distinctive terms of reference.

⁴ As may be provided in the committee's terms of reference

- b. recommend to BEC a Property Manager for each property being used for Scout program activities⁵, in consultation with the relevant Region

16. **Property Manager**⁶. The Property Manager's responsibilities are to:

- a. maintain and improve all property for which they are responsible
- b. ensure as far as possible that all property for which they are responsible complies with current legal requirements and the needs of the Scout program
- c. raise with the PAC any issue which is beyond the capacity of the Property Manager to resolve
- d. seek approval of the PAC prior to commencing or entering into a contract for works costing more than the Property Manager's financial delegation
- e. ensure that all arrangements for hire of the facilities by third parties are in writing and use, as relevant, the 'Hall Hire Agreement' form' or the 'Campsite User Agreement' form. Ensure that a copy of all such agreements is retained and pass a soft copy to the PAO to be placed on the 'property file' at Branch Office
- f. ensure that hirers have public liability insurance to protect Scouts ACT against loss caused by the hirer
- g. undertake essential safety measures and maintenance checks at least once a year – and rectify any issues identified in a timely manner
- h. not enter into any lease, licence or other formal legal permission to occupy and use premises, nor enter into negotiations to acquire or dispose of real property

17. **PAO**. The responsibilities of the PAO in respect of real property are to:

- a. maintain a register of all real property held in the name of Scouts ACT – including freehold, leasehold and licensed properties
- b. maintain a data-base listing the Property Manager for each property
- c. ensure that all proposals regarding the acquisition, management and disposal of Real Property are registered and forwarded promptly to the PAC for their consideration
- d. advise all applicants of the decision on their proposal by the BEC and/or PAC
- e. maintain a register of all money lent by the PAC or BEC to Property Managers and keep an accurate record of repayments made
- f. work with the PAC to offer support to Property Managers⁷, and provide all Property Managers with current support material

FINANCIAL DELEGATIONS

18. Current Financial delegations from BEC are contained in Attachment A to this document.

5 That is, excluding investment properties and those used for administrative support eg Branch headquarters.

6 Having responsibilities does not necessarily mean that the property manager has to perform the listed tasks themselves, their responsibilities can be met by engaging others to undertake the tasks.

7 Such as access to building inspections, assistance with government applications and approvals, legal advice, and provision of safety and maintenance checklists, model hall plans and specifications, standard building contracts, application templates and manuals.

AUTHORITY LIMITS

19. In respect of the real property transactions of Scouts ACT the following non-financial authority limits are authorised by BEC:

20. **PAC.** The PAC may:

- a. expend up to its delegation for any one works project, up to the limit of funds allocated to PAC in the annual Scouts ACT budget. The project may be initiated by the PAC or by a Property Manager. The expenditure may be in the form of a loan or a grant to the Property Manager or a combination of loan and grant
- b. consider, and if thought appropriate, approve works proposals submitted by Property Managers up to its appropriate delegation. Requests for higher amounts are to be referred to BEC with a recommended outcome
- c. obtain legal advice as the chair of PAC deems necessary within the funds allocated to the subcommittee annually
- d. after receiving approval from BEC to extend a crown lease, process a routine request for further crown lease to the point where the documentation needs application of the Common Seal
- e. pay, and claim reimbursement from the appropriate Property Manager, all fees and charges associated with grant of further leases

21. **Camp Cottermouth Committee.** The Camp Cottermouth Committee may:

- a. expend to its delegation for any one works project, up to the limit of funds allocated in the annual Scouts ACT budget for Camp Cottermouth works.
- b. after obtaining approval from the BEC through the PAC spend funds to the limit available to it on any works for Camp Cottermouth.

22. **Property Managers.** A Property Manager may:

- a. spend up to its delegation on a single works project using funds held by the Property Manager. While a project may be paid through several invoices it is the total project cost that must be below the delegation, not just each invoice.

PROCEDURES

General Inquiries about real property matters

23. All property enquiries should, in the first instance, be directed to the PAO who will deal with it or direct the enquiry to relevant officer or body.

Acquisition of real property

24. Real property may be acquired by buying freehold or by buying a lease or licence or other permission to occupy and use premises for Scouting purposes. For Scouts ACT the most common means of acquiring is by direct purchase of a concessional lease, but other methods may be adopted if appropriate.

25. The BEC is the only authority for all acquisition of real property. The PAC will carry out the action directed by the BEC.

26. All proposals for acquisition are to be forwarded to the PAO who will register the proposal and forward it to the PAC for consideration and recommendation to the BEC.

27. An acquisition proposed by a formation other than Branch needs to have the prior certification of the relevant Region or other supervising Commissioner.
28. All recommendations for acquisition are to take into account the outcomes of a strategic review which will address:
 - a. the priorities of the Branch Strategic Plan
 - b. the outcomes of consultation with relevant Scout formations
 - c. a consideration of options, including the purchase or lease of property or other occupancy arrangements
 - d. a business plan, outlining how the proposed property will be managed and used
 - e. a financial plan, outlining the costs of purchase and refurbishment, and the proposed sources of funding
 - f. evidence of support from the local community and/or external funding bodies
 - g. the views of the Chief Commissioner with respect to proposed 'Scouting purposes' and the BEC Finance Committee with respect to proposed funding.
29. The BEC will consider the proposal and, if it approves it, the PAC will be directed to take the action needed to acquire the property.

Renewal of Leases and Licences

30. All proposals to renew a lease, licence or other permission to occupy and use premises for Scouting purposes are to be forwarded to the PAO who will register the proposal and forward it to the PAC for consideration and recommendation to BEC.
31. The BEC is the only authority for all renewal of permission to occupy and use real property, including renewals of leases⁸ and licence. The PAC will carry out the action directed by the BEC.
32. A renewal proposed by a formation other than Branch needs to have the prior certification of the relevant Region or other supervising Commissioner.
33. All proposals to renew a lease, licence or other permission to occupy and use premises are to take into account the outcomes of a strategic review which will address:
 - a. the priorities of the Branch Strategic Plan
 - b. a consideration of options, including the purchase or lease of property or other occupancy arrangements
 - c. a business plan, outlining how the property will be managed and used into the future
 - d. a financial plan, outlining the costs of maintenance and refurbishment, and the proposed sources of funding
 - e. the outcomes of consultation with relevant formations
 - f. evidence of support from the local community and/or external funding bodies
 - g. the views of the Chief Commissioner with respect to 'Scouting purposes' and the BEC Finance Sub-committee with respect to funding.

⁸ Note that a lease is a form of 'property right' and may have residual commercial value depending on the nature of any conditions applying to the lease.

34. The BEC will consider the proposal and, if it approves it, the PAC will be directed to take the action needed to renew the occupancy arrangement

Disposal of Real Property

35. All proposals for disposal of real property whether held freehold, leasehold or under licence, are to be forwarded to the Principal Administrative Officer who will register the proposal and forward it to the PAC for consideration and recommendation to BEC.
36. The BEC is the only authority for all disposals of real property, including relinquishments of leases and licences. The PAC will carry out the action directed by the BEC.
37. A disposal proposed by a formation other than Branch needs to have the prior certification of the relevant Region or other supervising Commissioner.
38. Property will not normally be considered for disposal until three years after it was last used for Scout program activities.
39. All recommendations for disposal are to take into account the outcomes of a strategic review which will address
- a. The priorities defined in the Branch Strategic Plan
 - b. The outcomes of consultation with relevant formations and past major benefactors
 - c. A consideration of alternatives and options, including use by other formations, commercial lease to third parties and pre-sale salvage/demolition, refurbishment, or restructuring of title.
 - d. The views of the Chief Commissioner with respect to possible 'Scouting purposes' and the BEC Finance Sub-committee with respect to possible investment value and other financial return potential.
 - e. Costs associated with the sale or disposal of the property, including cost required to make good the property and/or to ensure best return on sale.
40. The BEC will consider the proposal and, if it approves it, the PAC will be directed to take the action needed to dispose of the property.

Proceeds of Property Disposals

41. The proceeds of property disposals shall be placed in a Branch account⁹ and allocated at the BEC's sole discretion, but take into account:
- a. Any outstanding debt on the property and any costs associated with the disposal – which shall have first call on the proceeds.
 - b. The prior investment of a local community in the development of the facility and the property-related needs of the local Region, if any¹⁰.
 - c. Priorities for the development of Scouting as defined in the current Branch Strategic Plan including the acquisition of land and/or the construction of facilities.
42. Disposal proceeds normally shall not be used to meet general operating expenses.
43. The application of property disposal proceeds is to be reported in the annual report to the Branch Annual Meeting.

⁹ Including any Branch-controlled fund.

¹⁰ Subject to the usual processes for authorizing works (maintenance and renewals) outlined elsewhere in this Policy.

Approval of Infrastructure Works

44. Property Managers need higher approval to undertake works only if one or more of the following apply:
- a. Government permits are required – these need to carry the authority of BEC on the application forms
 - b. the cost of the works exceeds the Property Manager's delegation
 - c. the Property Manager seeks to borrow money which requires Scouts ACT as the incorporated body to guarantee the loan.
 - d. the Property Manager seeks a government or commercial grant which may compete with grants being sought by other Scouts ACT bodies
 - e. the Property Manager seeks a loan or grant from PAC or BEC
45. A Property Manager should notify the PAO of any renovations or repairs not requiring higher approval but costing more than two-thirds of its delegation limit.
46. Applications for approval of works are to include:
- a. A description of the works
 - b. An outline of the need and use of the proposed works
 - c. An estimate of the total cost of the project and proposed source of funding
 - d. An outline of the proposed project management arrangements and timelines
 - e. Details of all permits and third-party approvals required.
47. Guidelines and procedures for seeking approval for works are in Attachment B to this document

Emergency works

48. A Property Manager may undertake emergency works costing more than its delegation without higher approval provided it has the funds in place to pay for them. Such works shall be the reasonable minimum to maintain the integrity of the property and the safety of people in its vicinity.

Strategic Reviews

49. Where a strategic review is required, the allocation of responsibility for its conduct will be by negotiation with BEC, but it would generally be undertaken by the formation seeking the action.

RELATED DOCUMENTS, REFERENCES

Branch Policy 4.1.1 – Branch Financial and Asset Management
Branch Policy 4.1.2 – Group Financial and Asset Management
Branch Policy 4.8 – Maintenance of Scout Halls and other Fixed Assets
Branch Policy 7.1 – Group Support Committee Guidelines
Hall Hire – Agreement to Licence Facility form

ATTACHMENTS

- A. BEC financial delegations for Real Property management – 2018
- B. Approval for Property works and/or funding - 2018.

AUTHORITY

- 50. This policy or amended policy was approved by the Branch Executive Committee on 23 August 2018.