



REAL PROPERTY POLICY 2016

Note: Definitions of underlined words and phrases can be found at the back of this policy document.

PURPOSE

The purpose of this Policy is to provide a consistent framework for decisions regarding the acquisition, management and disposal of real property owned/leased and/or managed by The Scout Association of Australia, Victorian Branch ('Scouts Victoria').

SCOPE

This policy applies to all Scouts Victoria formations, including without limitation Groups, Districts, Regions, campsite committees and Branch bodies including Branch Executive Committee (BEC) subcommittees, with real property responsibilities.

Acquisition and disposal includes the purchase or sale of freehold, and the obtaining or relinquishing of a lease, licence or other legal permission to occupy and use premises.

The policy does not cover detailed requirements for day to day management activities such as project management, maintenance, duty of care responsibilities, or occupation, health and safety (OHS) matters – which are/shall be covered by other policies and procedures, guidelines and/or manuals. The policy does not cover grants programs such as Scouts Victoria administered 'State Government Facilities Refurbishment Grant Program'.

CONTEXT

Scouts Victoria recognizes 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 Victoria also recognizes that this property portfolio has significant financial value and requires active, but prudent, management to ensure that these resources are put to best use.

POLICY STATEMENT

All documents pertaining to the ownership of real property by Scouts Victoria, and all documents granting formal legal permission to occupy and use premises not being premises owned by Scouts Victoria, shall be in the name of the incorporated body – The Scout Association of Australia, Victorian Branch.

All Scout property will be actively managed and a property manager designated for every property. The designated property manager is responsible for maintaining and improving the property and ensuring that it meets current legal requirements and the needs of the Scout program.

Freehold or leasehold property will only be sold when a 'strategic review' has been undertaken that concludes that sale provides the best option for programme delivery and the best long-term financial outcome, and after all relevant formations have been consulted. If sold, the first call on the proceeds shall be to pay any outstanding debt on the property and any costs associated with the sale. Sale proceeds shall not be used to meet ordinary operational expenses of Scouts Victoria.

All funding for any project to acquire real property or undertake works, must be in place before proceeding with the project.

RESPONSIBILITIES

Branch Executive Committee (BEC)

- Oversee all matters relating to the acquisition, management and disposal of real property for Scouts Victoria.
- May appoint one or more sub-committees to investigate and make recommendations about the acquisition, management and disposal of real property.¹
- Approve the sale and purchase of real property (this responsibility shall not be delegated).
- Approve the entering into, and relinquishing of, leases and licences (this responsibility shall not be delegated, other than for short-term licences and rentals).
- Where the cost of works is higher than the delegated authority of other formations, consider, and if thought fit approve, proposals for works on Scout Victoria property.
- Ensure all documents pertaining to the ownership of real property by Scouts Victoria, and all documents granting permission to occupy and use premises not being premises owned by Scouts Victoria, are in the name of the incorporated body – 'The Scout Association of Australia, Victorian Branch'.
- Seek and allocate funds for the purchase of real property and the undertaking of works.
- Designate a property manager for properties not being used for Scout program activities.²

BEC Property Sub-committee/s

- 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 facilities in accordance with their current terms of reference.
- Where the cost of works is within its delegated authority, consider and, if thought appropriate, approve works proposals forwarded by a formation.
- Where a delegation exists to manage funds for works,³ develop guidelines for grant applications and assessment criteria, allocate grants and instigate reporting and acquittal processes.
- Work with the Executive Manager and/or relevant staff, in liaison with any relevant formation, with respect to any proposed lease, licence or other permission to occupy and use premises and proposals to acquire or dispose of real property.
- Work with Executive Manager to prepare support material for property managers.

Chief Commissioner, with the State Leadership Team

- Work with Districts and Regions, through the creation of Development Plans, to 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 to identify real property no longer required for Scouting purposes.
- Contribute to the BEC's evaluation of proposals initiated by formations to acquire, significantly alter or dispose of real property.

¹ Each to have clear and distinctive terms of reference.

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

³ As may be provided in the sub-committee's terms of reference and/or the BEC's 'Schedule of Financial and Other Delegations'.

- Designate a property manager for each property being used for Scout program activities,⁴ in consultation with the relevant District or Region.

Property Manager⁵

- Maintain and improve all property for which they are responsible.
- Ensure that all property for which they are responsible complies with current legal requirements and the needs of the Scout program.
- Seek approval of the relevant BEC property subcommittee (or if no BEC sub-committee appointed, the BEC) prior to commencing or entering into a contract for works whose cost is greater than the formation's current financial delegation.
- 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.
- 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, and that a copy of all such agreements is retained for at least 7 years and that a soft copy be placed on the formation's extranet 'property file'.
- Undertake regular 'essential safety measures' and maintenance checks, at least once a year – and rectify any issues identified in a timely manner.

District / Region

- Where requested, assess proposals for acquisition and disposal of real property and proposed works against any relevant District Development Plan and, if considered consistent with the plan, endorse the proposal.
- Actively work with local Scout Groups and local communities to identify opportunities for delivering on real property needs identified in District Development Plans, and pursue funding and other resources necessary to realize those opportunities.

Executive Manager

- Maintain a register of all real property held in the name of the Scout Association – including freehold, leasehold and licensed properties.
- Maintain a data-base listing the property manager for each property and, where different, details of the 'leader-in-charge' of the formation to which the property manager reports, and make this available on the Scouts Victoria extranet.
- Work with the BEC property sub-committee/s to offer support to property managers,⁶ and provide all newly appointed property managers with current support material.
- Ensure that all proposals regarding the acquisition, management and disposal of real property are registered and forwarded promptly to the relevant BEC property sub-committee for their consideration.
- Advise all applicants of the decision on their proposal by the BEC and/or BEC sub-committee, as well as the relevant District and/or Region.

PROCEDURES

General Inquiries

All property enquiries should, in the first instance, be directed to the Victorian Scout Centre who will direct the enquiry to relevant officer or body.

Acquisition of real property

⁴ That is, excluding investment properties and those used for administrative support eg Branch headquarters.

⁵ 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.

⁶ Such as access to building inspections, assistance with Council applications and approvals, legal advice, and provision of safety and maintenance checklists, model hall plans and specifications, standard building contracts, application templates and manuals.

All acquisitions of real property require the approval of the BEC.

All proposals for acquisition are to be forwarded to the Executive Manager who will register the application and forward it to the relevant BEC property sub-committee for consideration and recommendation.

Where the proposed acquisition is by a formation other than Branch, the proposal needs to have the prior certification of the relevant District and/or Region that the proposal is consistent with any relevant District Development Plan.

All recommendations for acquisition are to take into account:

- The outcomes of a strategic review – showing clear strategic justification demonstrating how the acquisition will further the development of Scouting and delivery of the Scouting Program in the area of the proposed acquisition
- The priorities of the Branch Strategic Plan
- Consistency with any relevant District Development Plan
- The outcomes of consultation with relevant Scout formations
- A consideration of options, including the leasing of property and/or shared occupancy arrangement.
- A business plan, outlining how the proposed property will be managed and used.
- A financial plan, outlining the costs of purchase and refurbishment, and the proposed sources of funding.
- Evidence of support from the local community and/or external funding bodies.
- The views of the Chief Commissioner (and State Leadership Team) with respect to proposed 'Scouting purposes' and the BEC Finance Sub-committee with respect to proposed funding.

Disposal of Real Property

All disposals of real property, including relinquishments of leases⁷ and licences, require the approval of the BEC.

All proposals for disposal are to be forwarded to the Executive Manager who will register the application and forward it to the relevant BEC property sub-committee for consideration and recommendation.

Where the proposed disposal is by a formation other than Branch, the proposal needs to have the prior certification of the relevant District and/or Region that the proposal is consistent with any relevant District Development Plan.

All recommendations for disposal are to take into account:

- The outcomes of a strategic review – showing a clear strategic justification demonstrating that the property is no longer required now or for the foreseeable future for Scouting purposes
- The priorities defined in the Branch Strategic Plan
- Consistency with any relevant District Development Plan
- The outcomes of consultation with relevant formations and past major benefactors

⁷ 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.

- 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.
- The views of the Chief Commissioner (and State Leadership Team) with respect to possible 'Scouting purposes' and the BEC Investment Sub-committee with respect to possible investment value and other financial return potential.
- 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.

Proceeds of Property Sales

The proceeds of property sales shall be placed in a Branch account⁸ and allocated at the BEC's sole discretion, but take into account:

- Any outstanding debt on the property and any costs associated with the sale – which shall have first call on the proceeds.
- The prior investment of a local community in the development of the facility and the property-related needs of the local District Development Plan, if any.⁹
- Priorities for the development of Scouting as defined in the current Branch Strategic Plan such the purchase of land and/or the construction of facilities.

Sale proceeds shall not be used to meet ordinary operational expenses of Scouts Victoria.

The application of property sale proceeds are to be reported in the annual report to the Branch Annual Meeting.

Lease and Licences

All proposals to obtain or renew a lease, licence or other permission to occupy and use premises for Scouting purposes are to be forwarded to the Executive Officer who will register the application and forward it to the relevant BEC property sub-committee for consideration and recommendation.

Where the proposed acquisition is by a formation other than Branch, the proposal needs to have the prior certification of the relevant District and/or Region that the proposal is consistent with any relevant District Development Plan.

All proposals to obtain or renew a lease, licence or other permission to occupy and use premises for Scouting purposes are to take into account:

- The outcomes of a strategic review – showing a clear strategic justification demonstrating how the proposal will further the development of Scouting and delivery of the Scouting program
- The priorities of the Branch Strategic Plan
- Consistency with any relevant District Development Plan
- The outcomes of consultation with relevant formations
- A consideration of options, an outline of how the proposed property will be managed and used, the costs of establishment, refurbishment and operation and the proposed sources of funding.

Approval of Works

⁸ Including any Branch-controlled fund, such as the Victorian Scout Foundation.

⁹ Subject to the usual processes for authorizing works (maintenance and renewals) outlined elsewhere in this Policy.

Where within its delegation authority,¹⁰ the property manager does not require approval by other Scouting formations to undertake proposed works.

Irrespective of the source of funding, any proposal by the property manager to carry out works or improvements whose cost is greater than its financial delegation authority¹¹ must be approved by a BEC property sub-committee or the BEC. To this end, such proposals are to be sent to the Executive Officer who will register the application and forward it within 3 days to the relevant BEC property sub-committee for consideration at its next scheduled meeting and, if it thinks fit, approval (or if outside the Subcommittee's delegation authority, for consideration and recommendation to the BEC for approval), and no works – other than emergency works - may be commenced until approval is received from that Subcommittee or the BEC as the case may be.

Applications for approval of works are to include:

- A description of the works
- An outline of the need and use of the proposed works
- An estimate of the total cost of the project and proposed source of funding
- Endorsement by the relevant District or Region of consistency with relevant District Development Plan, if any.
- An outline of the proposed project management arrangements and timelines
- Details of all permits and third-party approvals required.

Where the proposed works cost more than \$100,000 additional information may be required.¹² Formations are also encouraged to discuss proposals and 'approval-in-principle' for major works prior to pursuing detailed plans and specifications and third-party approvals.

Necessary emergency works, and variations and adjustments to approved works, may be approved by the Chairman of the approving formation or body, subject to ratification of the approving formation or body.

Strategic Reviews

Where a strategic review is required, the allocation of responsibility for its preparation will be by negotiation, but they would generally be undertaken by the formation seeking the acquisition, sale or disposal, or renewal of tenure of a property or seeking works approval.

DEFINITIONS

BEC: The body in which the management of the business of the Branch and of the Victorian Branch Council is vested in.¹³

BEC Property Sub-committee: Sub-committees dealing with property matters appointed by the BEC. Currently the relevant sub-committees are the Property Management Sub-committee, the Property Development Sub-committee and the Campsites Sub-committee. The terms of reference of each sub-committee can be found on the Scouts Victoria website.

Branch Strategic Plan: A document approved by the BEC that defines a Vision and Mission for Scouts Victoria and outlines a series of strategic priorities, with associated actions and

¹⁰ As defined in the BEC's current Delegations Policy and associated 'Schedule of Financial and Other Delegations'.

¹¹ As defined in the BEC's current 'Schedule of Financial and Other Delegations'.

¹² The Executive Manager can provide advice of these requirements.

¹³ cf Clause 23, Constitution of the Scout Association of Australia, Victorian Branch

initiatives, to grow and develop Scouting. The current plan (titled Triennial Plan for the Support Of Scouting 2015-18) can be found on the Scouts Victoria website.

District Development Plan: A written plan prepared by a District outlining actions to further the development of Scouting within the area of their jurisdiction, in consultation with the District/Region leader team and Group representatives, approved by the District Executive and endorsed by the Region Commissioner and/or Chief Commissioner.

Emergency Works: Works required outside a formation's delegation limit requiring immediate works to make a property safe from injury or damage.

Executive Manager: The senior employee of Scouts Victoria appointed by the BEC to, amongst other things, manage the business activities of the Branch including the oversight of employed staff and to perform the duties of the General Secretary as outlined in the Constitution of the Scout Association of Australia, Victorian Branch.

Property Manager: The property manager is the formation or body (and/or 'leader-in-charge' position) so designated by the Chief Commissioner or their delegate as listed in the Scouts Victoria extranet listing of Scouts Victoria properties. For a scout hall, ordinarily the property manager will be a Scout Group, for a scout campsite, the campsite committee.

Real Property: For the purposes of this policy, '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 from other forms of Scout property such as building contents and equipment.

Strategic Review: A document that details the rationale for the acquisition or disposal of real property, including a clear strategic justification demonstrating the need or absence of need for Scouting purposes, a consideration of options and alternatives, a business plan (how the proposed property will be managed and used), a financial plan (outlining likely costs and proposed sources of funding), evidence of support from the local community and/or external funding bodies.

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

RELATED DOCUMENTS, REFERENCES

Delegations Policy 2016
Schedule of Financial and Other Delegations 2016/17
Hall Hire – Agreement to Licence Facility form
Major Project Proposal Request Form
Triennial Plan for the Support Of Scouting 2015-18

ATTACHMENT

Nil.

PROCEDURE OWNER

BEC Chairman

DATE OF APPROVAL / DATE OF REVIEW

26 July 2016 / [3 YEARS FROM APPROVAL]