



POLICY

Sale and Long Term Lease of Scouts NSW Property



Issued with the authority of the Board of Scouts Australia NSW

Board Chair Signature		Director Signature	
Sponsor	Chief Executive Officer		
Document type	Policy	Date of issue	1 April 2018
Document code & no.	POL30	Version number	0.1.0
Document title	Sale and Long Term Lease of Scouts NSW Property	Due for review	As Required.

Sale and Long Term Lease of Scouts NSW Property

1 Background

In accordance with the Scouts NSW Constitution, Scouts NSW is the relevant legal entity in relation to real property and the sale and long term lease of properties may only be undertaken with approval of the Board of Scouts NSW.

As the property portfolio of Scouts NSW is a key enabler to delivery of the Scout program and the level of associated assets and liabilities is very significant, relevant policies and processes are required to ensure property transactions are in the best interests of Scouts in NSW.

A key consideration is the role of relevant Scout formations in management of property. Practical management of properties in most circumstances is undertaken by the relevant formation (typically Region, District or Group) whose members provide an immeasurable contribution to Scouting through operational control and physical maintenance of properties. Scout properties also often have significant historical connections within local communities. These factors are important considerations when contemplating significant property related transactions.

A collaborative approach is therefore paramount to ensuring that Scouts NSW property interests are dealt with in a transparent and professional manner.

2 Purpose

This policy describes the arrangements for managing proposals for the sale and long term lease of Scouts NSW properties. For the purposes of this policy a long term lease is one that is greater than two (2) years in duration. The purpose of the policy is to:

- a. Ensure appropriate commercial returns on property related transactions are achieved for Scouts NSW commensurate with market conditions, legal obligations and the objectives of Scouting,
- b. Ensure property transactions are managed professionally and objectively, free from conflicts of interest and in accordance with Scouts NSW policies and procedures,



Scouts Australia NSW

- c. Maintain the reputation of Scouts NSW in the community.
- d. Recognise the importance of proactive stakeholder engagement.

3 Scope

All Scouts NSW freehold properties including land and leased/trust properties that allow for sub-lease arrangements are subject to this policy. All proposal for sale or lease whether solicited or unsolicited are subject to this policy.

4 Considerations

Many properties have been in the possession of Scouts NSW and have supported Scouting and community activities over a long period of time. Consequently decisions relating to potential sale, long term lease or redevelopment are likely to attract significant interest in the Scouting and broader community.

Parties interested in acquiring Scout properties will typically invest significant time and financial resources in pursuing a property acquisition. Likewise the burden on Scouts NSW in responding to or pursuing property transactions can be significant. Consequently property transactions must be managed professionally and objectively, free from conflicts of interest.

Given the nature and public awareness of Scout properties unsolicited offers are not uncommon. Great care must be taken in handling such enquiries so not to indicate or otherwise imply agreement or create any expectation of success. Discussion that may be perceived to be informal can in certain circumstances lead to inadvertent but legally binding obligations on Scouts NSW. Unsolicited offers may nevertheless represent an opportunity to benefit Scouts and should be given appropriate consideration. This can be a challenging area consequently early engagement with the Property Department of the State Office in close liaison with Region staff is required.

Regions, Districts, and Groups have in integral role in the management of properties under their control however it is important to emphasise that authority to make commitments or perceived commitments to any associated parties in relation to property sale or long term lease transactions may only be made with Board approval.

Relevant Region Commissioners and Group Leaders are to be kept apprised of significant developments in sale/long term lease transactions.



5 Policy Objectives

The objectives of this policy are to:

- a. Maximise commercial returns on property related transactions for Scouts NSW commensurate with legal obligations and the objectives of Scouting,
- b. Ensure property transactions are managed professionally and objectively, free from conflicts of interest,
- c. Acknowledge and respect the interests of the community and the historic circumstances of any site, and
- d. Maintain the reputation of Scouts NSW in the community

6 Criteria for Determining the Appropriateness of a Property Sale or Long Term Lease

The following considerations are to be taken into account in assessing recommendations and proposals to sell or negotiate long term leases of Scouts NSW properties:

- a. The current and potential Scouting use of the property,
- b. Whether the property is deemed surplus to the Scouting operational and economic needs,
- c. Potential alternative commercial uses of the property,
- d. Potential for re-zoning/redevelopment of the property by Scouts NSW for commercial return,
- e. Potential for retention by Scouts NSW for the purpose of capital growth, and
- f. Advice from the relevant Scout formations regarding local Scouting and community interests.



7 Policy Statements

Consideration of the sale or long term lease of a Scouts NSW property is to be undertaken in accordance with the following policy statements:

- a. The sale or long term lease of a Scouts NSW property may only be approved by the Board of Scouts NSW or a delegate so authorised by the Board.
- b. Regardless of source, all proposals (including those made known to Group and Region) for the sale or long term lease of Scouts NSW properties are to be referred immediately to the Scouts NSW Property Manager.
- c. Although the origin of most proposals for sale or long term lease of property is from a relevant Scout formation, care is to be exercised in communications with interested parties. No response to prospective lessees or purchasers is to be provided that could in any way be interpreted as acceptance or reject of an offer or expression of interest.
- d. Unless otherwise approved by the Board of Scouts NSW all prospective property sales are to be supported by a valuation conducted by an independent and qualified valuer.
- e. Unless otherwise directed by the Board of Scouts NSW, responsibility for the management of sale or long term lease negotiations for property transactions approved by the Board rests with the Chief Executive Officer.
- f. Unless otherwise approved by the Board of Scouts NSW, property sales will be achieved through open approach to the market, and by professional sales agents appointed by the CEO in accordance with relevant Scouts NSW policies and delegations.
- g. Off-market sales. Off-market sales are those made direct to a purchaser, usually at market valuation, without the property having first been offered for sale on the open market. An off-market sale may be approved by the Board where sale to a state, territory or local government would:
 - 1) protect other Scouts NSW property interests;
 - 2) in consideration of community or similar interests; or
 - 3) facilitate Scouts NSW cooperative initiatives that could not otherwise be achieved through an open market process;



8 Proceeds from Sales and Long Term Leases

The allocation of proceeds from sales or long term leases will be determined by the Board cognisant of the circumstances of the relevant Scouts NSW formation. A separate policy will address this aspect.

