



## Sustainable Scouting Initiatives

### **Action 1**

We will be looking to find cost savings of 15 per cent from our State budget this year.

This budget covers the running of our State and Region Offices, and costs associated with our State and Region Commissioners.

It has been increasing due to higher energy prices, increased safety and compliance costs, higher insurance fees, event costs, and the need for technology investments.

The proportion of membership fees used by State is currently not covering the costs being incurred. Even when we increase membership fees by \$40 a year, we still have a 15% funding gap. So our aim is to reduce costs by this amount.

The impact of this cost saving exercise may result in some activities at State and Region levels no longer continuing. We will endeavour to find cost savings that have limited negative impacts on members.

### **Action 2**

We will be increasing the membership fee and the one-off joining fee.

The membership fee is one of the primary sources of income for Scouts NSW.

For five years, Scouts NSW only increased membership fees by CPI (the Consumer Price Index). Over time, this difference created a funding gap for Scouts NSW, making it no longer sustainable for the Association to subsidise fees at previous levels.

In 2020, we moved to a new pricing model known as Cost Recovery, which set membership fees each year based on the recovery of operating costs.

This was the start of a three-year program to reach a balance between our income and our costs, and improve our financial sustainability. The membership fee was therefore always scheduled to be increased this year.

It is important to note that costs associated with redress and civil litigation are not funded by membership fees.

### **Action 3**

From 1 April we are moving membership billing to an annual cycle and directly billing all members of Scouts NSW.

This approach not only brings increased efficiencies for Group Treasurers, by eliminating the need for debt collection of fees and by simplifying the Active Kids Voucher payment process, but it also improves the likelihood of youth members staying as Scouts for longer.

For those who need financial assistance (whether parents of youth members or those in the Rovers Section), the Family Support Fund is available for up to 12 months, and covers membership fees, uniform requirements, equipment and activity fees. In addition, the Active Kids vouchers can be redeemed towards the cost of membership fees.

### **Action 4**

We will be selling some vacant or under-utilised properties.

This action has, by far, the biggest impact on our financial sustainability.

We have reviewed our portfolio of Scout properties, and identified some buildings that have been vacant or under-utilised for an extended period of time and are surplus to requirements. They are rapidly ageing and therefore pose a significant liability. We have discussed these properties at length with the Region teams to ascertain the likelihood that these properties could be used by future Scout groups. There is simply no reason for us to continue to pay the costs of running vacant properties.

Our property strategy has always played an important role at Scouts NSW. We regularly unlock the value of assets by selling surplus and under-utilised properties and re-investing the returns in a range of ways including the purchase of high-use activity centres or properties in areas of high demand, and the cost of civil litigation matters and redress.

### **Action 5**

We all play a part in supporting the sustainability of our organisation, and so we have asked adults in Scouting with a State or Region-level appointment (including State Commissioners, State Leaders, State Advisers, Region Commissioners, Region Leaders and Region Advisers) and Board of Directors to make a contribution of 50 per cent of the fees.

There has been a 40 per cent increase in costs associated with this group as it has substantially grown in size.

### **Action 6**

We need to take a more commercial approach to our camps and activity centres, and increase external usage.

In particular, we have been working to find ways to lift overall patronage of our major campsites and activity centres by schools. We are also seeking external funding and grants to help make improvements to some of these centres, and make them more attractive to external clients.

Our aim is to bring these centres closer to being self-sustaining, while keeping as many sites as possible available to Scouts and for major events.