



SUSTAINABLE SCOUTING QUESTIONS AND ANSWERS

BACKGROUND

Q: What are we trying to achieve?

Our aim is to be financially viable, long into the future. This means delivering a small operating surplus each year, managing our assets and commercial activities effectively so they generate profitable returns, and being able to deliver our services effectively. Our ultimate ambition is to be able to keep delivering skills for life to young people across NSW.

Q: Is Scouts NSW unique in the financial challenges it is experiencing?

No. Many companies and charities across Australia had a difficult year in 2020.

Research by wealth manager JB Were at the end of last year found that there was a 7 per cent fall in charitable donations in 2020. Researchers have also predicted that one in seven Australian charities is at risk of folding by September 2021.

Q: Who made these decisions?

The decisions have been made by the Board of Directors. They were fully informed by detailed financial analysis. Each decision was deliberated over and feedback from Scouting representatives was sought, to ensure the Board fully understood the likely implications.

Q: Why are we only hearing about this now?

Our financial results for the past five years have been driven by one-off transactions such as the sale of individual properties, surpluses from major events including Jamborees and Cuborees, and buoyant market conditions delivering positive returns in our Investment Portfolio.

There have been a number of communications about the financial challenges. The Annual General Meeting, the Annual Review, the Group Leaders Update and the Chief Commissioner's Chief Chat all raised the issues to members about our operating deficit.

However, we realised that some members do not have time to read Scouts emails or use our website to source information, so we decided to take a different approach for these announcements and send messages directly to all members at the same time.

Q: Will these initiatives cover our deficit, and get us into a surplus? Should we expect more membership fee increases in the future?

If we look at all of these initiatives as a package together, we estimate they will help cover our deficit.

To return to a surplus on a sustainable basis, we need to make a number of changes to the way we manage our property portfolio, how we generate income from our campsites, how we keep our cost base low, and how we eliminate duplication of financial decision-making between State and Region teams.

In 2019, we announced a program to increase membership fees, which we anticipated would take three years to reach cost recovery.

Q: Where can I find more information about the financial position of Scouts NSW?

The Treasurer's Report in our [Annual Review](#) provides an outline of our financial position. A more comprehensive account of our financials can be found in our most recent audited statement, the 2019/2020 Financial Report, which can be found on our website [here](#).

Q: How do we offer our ideas and suggestions?

We are running a number of meetings for members to talk through the initiatives we are taking, and to provide an opportunity to ask questions, share ideas and discuss solutions.

You can also complete the feedback form, which is accessible through nsw.scouts.com.au/sustainable-scouting to share your suggestions.

If you prefer, you can email sustainablescouting@nsw.scouts.com.au.

Q: How can we share the value of Scouting with families?

For more than 110 years, Scouts has supported young people across the world and across NSW to make friends, join their peers and experience things they would normally not have the opportunity to do. Creating memories and confidence and, at the same time, helping them become resilient, innovative, adaptable and purposeful.

In fact, a study conducted by Resilient Youth Australia in partnership with the University of South Australia found that young people participating in Scouts have an overall better life satisfaction than their peers, and the longer they remain with Scouts, the more resilient they become!

In each of our communities across our state, we know that Scouting remains one of the most valuable investments we can make in young people today so they can become the leaders we will turn to tomorrow.

There is a huge range of incredible materials to help promote Scouting to families on our [website](#). You can also use the [materials we developed](#) that highlight the advantages Scouts have over non-Scouts, as measured by Resilience Australia.

Q: Is there fundraising being done at a State-level to bring the balance of income and expenses closer in line?

Yes, there has been a huge amount of fundraising being done by our State team and Commissioners.

They have actively sought grants and donations, and have successfully been awarded funds from a wider range of philanthropists and businesses than previous years.

They have also ensured we keep a high and positive profile with politicians, who are often the source of local funding for Scout Groups across the State.

Q: How can we be sure that these actions will work?

The COO and the Treasurer have set out a detailed financial plan, which has rigorously analysed each line item of the Profit & Loss. They have also conducted forecasting to predict the trajectory of the future operating outcome for Scouts NSW.

This is the most thorough analysis that has been undertaken for many years.

The Board of Directors has set out the financial sustainability of Scouts NSW as its highest priority, and is determined to find a sustainable model for the future.

MEMBERSHIP FEES

Q: How can we help support members and families facing financial difficulty to pay fees?

Initiatives such as the Active Kids rebate, Family Support Fund and Scouts for Refugees are also available to assist families with covering the cost of the State Membership Fee, and therefore improve the likelihood of youth members staying in Scouts for longer.

Q. What support is available to Rover Scouts, who are not eligible for the Active Kids rebate?

We understand the financial challenges faced by Rover Scouts, which is why we have ensured that the Family Support Fund is available to Rover Scouts and youth leaders who are financially independent (e.g. they are earning a salary and paying their own accommodation costs).

The Family Support Fund can help meet the cost of Scouting, including the State Membership Fee. More information about the Family Support Fund can be found [here](#).

Rovers who also sign up to become a Leader through the Young Leader Development Program and complete their eLearning can also have their State Membership Fee covered through the YLDP.

The State Rover Council is currently investigating fundraising opportunities to support Rover Scouts.

Q: What does the State Membership Fee cover?

The Scouts NSW membership fee covers the costs of essential services and behind-the-scenes operations at a Region and State level to ensure members can enjoy Scouting now and into the future.

The fee provides Region services such as customer support and administration for members, Region-managed campsites and properties.

The fee also covers the provision of services such as youth safety, risk management, member services, grant facilitation and processing, training administration, accounting services, financial and statutory compliance, lease management and property compliance, marketing and communication activities, and the management and upgrading of IT systems such as ScoutLink, our membership system.

Additionally, the fee includes the cost of association from the World Organization of the Scout Movement (WOSM) and Scouts Australia levy, and public liability and personal accident insurance for all youth and adult members.

DIRECT BILLING

Q: I have questions about the implementation of direct billing. Where can I find more information?

Information about the direct billing project can be found [here](#). Note that Questions and Answers are being added to the webpage on a continual basis. If your question has not been addressed on the webpage, please use the question submission form [here](#).

COSTS

Q: The 2019-2020 Annual Review shows that administration expenses doubled in the year to March 2020. What does this cover?

The administration costs covered the following:

- NYP Implementation
- Strategic Plan
- Redress and civil claims for historic child sexual abuse matters

Q: Are we looking at the costs of the State and Region Offices?

Yes, we are looking at every aspect of our cost-base, including the location of our State office, the structure of our team of salaried employees, the location of our Region Offices and the costs associated with each of our Region offices.

We are working out how we can build a more fit-for-purpose model across both State and Region Offices.

PROPERTY

Q: How have you identified properties for sale?

Underutilised properties were identified in consultation with the Regions.

Q: Why are we selling properties when we could use these properties in the future?

The properties we have identified at this time have been vacant for many years, but still require continued maintenance and therefore are loss making.

We have reviewed each property with the local uniformed team, and agreed there is no likelihood that they will be needed.

COMMERCIAL ACTIVITIES

Q: What changes are we making to our campsites and Activity Centres?

We are looking to improve the commercial outcomes of our State and Region owned campsites and Activity Centres by lifting the occupancy rates and generating more income.

By generating a profitable return from these centres, we will be able to reinvest in improvements to their facilities, enhance their value, and offer Scouts better experiences.