



SCOUTS[®]
South Africa

Property Policy

Version 2019v1

Revision Date: 14 May 2019

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Preamble

This policy governs all properties connected to SSA, both movable and immovable. It is to be read in conjunction with all other SSA policies and has been created in an effort to aid individual Scout groups and other organs of SSA.

Revision Approval

This revision of the Property Policy was approved for publication at the SCOUTS South Africa Management Committee

Meeting held on 14 May 2019 by the committee comprising:

Dr Brendon Hausberger, Mr Khonzaphi Mdaka, Ms Jeanette Angus, Mr Cameron Belling, Ms Joy Hutchinson, Ms Milly Siebrits, Mr Peter Statham, Mr John Sturgeon, Mr Robert Surgison, Mr Andrew Tanner, Ms Sheila Tanner and Ms Adrienne van der Watt.

Ratified by the Scout Board on 12 June 2019.

Policy Details

1. PROPERTY

All property acquired by any organ of SCOUTS South Africa (SSA), is to be vested in SSA in its full legal title:

1.1. "SCOUTS South Africa"

- 1.1.1. All property is vested in SSA, but in terms of the SPA, as long as SSA's Property Policy is adhered to, effective control will be enjoyed by the individual Scout Group or Region concerned.
- 1.1.2. No buildings for Scout purposes shall be erected on any property unless the individual Scout Group or respective organ of SSA has complied with the guidelines in SSA Property policy.
- 1.1.3. All property and buildings must be appropriately insured, at a minimum for full replacement value of all buildings and for contents. This is applicable to owned properties as well as leased properties. Unless the lessor is responsible for the insurance, as per a written agreement. However, the Scouts contents need to be insured separately.

1.2. PROPERTY - Mortgaged

- 1.2.1. Any property vested in SSA and utilised by an individual Scout Group, or any part of SSA, may not be mortgaged or used as security for any loan.

1.3. PROPERTY – Capital expenditure

- 1.3.1. Any individual Scout Group, or any part of SSA planning to incur capital expenditure on property under its control, must draft a sound financial budget before commencing any such capital expenditure.
 - 1.3.1.1. Such expenditure above R20,000 requires prior approval of the Regional Property Representative, or Regional Commissioner and Regional Finance Representative, if expenditure is in excess of R50,000 in addition the prior approval of National Property Committee, must be obtained.
 - 1.3.1.2. Where the expenditure is in excess of R300,000 the prior approval of the National Finance Committee as well, is required.
 - 1.3.1.3. The financial values referred to above are the gross amounts to be spent i.e. not the net amounts after any donor funding.

1.4. PROPERTY – Sponsored groups & Joint ownership

- 1.4.1. An individual Scout Group, or any part of SSA wishing to hold property jointly with any other organisation, must first submit an agreement setting out the rights and obligations of the parties, to the Regional Property Representative for review and the National Property Committee, for approval.
 - 1.4.1.1. In the case of a Sponsored group it is necessary to determine in the first place what part of the property, if any, belongs to the Individual

Scout group itself and not to the Sponsoring Authority; and this decision should be recorded in a letter of agreement between the Individual Scout group Committee and the Sponsoring Authority.

- 1.4.1.2. A schedule of Individual Scout group property with a market value or with an original cost in excess of R10,000 must be submitted each year to the National Property Committee and to the Regional Property Representative. In the case of a Sponsored Group the schedule should be countersigned by the Sponsoring Authority.

1.5. PROPERTY – Disposal

- 1.5.1. When land and or buildings belonging to an individual Scout Group or any organ of SSA are to be sold or otherwise disposed of, prior consent must be obtained from the Regional Property Representative and the National Property Committee. This permission must be ratified by the SSA Manco and Scout Board. The proceeds from the disposal must be transferred to a reserve fund set up by the Scout Foundation for the benefit of the individual Scout Group or other organ of SSA.
- 1.5.2. Where the purpose for which the asset was held has become redundant and remained redundant for more than 5 years from the last Scout activity on the property the proceeds will be used for the benefit of SSA at Regional and or National level. The SSA Manco will determine the actual allocation of funds. The funds will be utilised for capital purposes only.
- 1.5.3. Where an individual Scout Group, or any organ of SSA ceases to exist, any property owned or held will automatically pass to the National Property Committee as appropriate unless there is some pre-existing arrangement by which the effective control of the property passes to another beneficiary. Such a pre-existing agreement would have to have been endorsed by the National Property Committee. In the distribution thereof, priority will be given, in consultation with the Regional Commissioner, to groups in the greatest need and closest proximity to the Group or other organ that ceased to exist.

1.6. PROPERTY – Leasing, Hiring (including hiring of Equipment)

- 1.6.1. Individual Scout groups must be properly accommodated and equipped in order to carry out their training programmes.
- 1.6.2. The Individual Scout Group committee must concern itself with all legal requirements relevant to the ownership of all property and equipment and to the leasing and hiring of equipment. Including comprehensive insurance, where applicable.
- 1.6.3. Where a formal lease agreement is entered into, in respect of all freehold and leasehold land (with or without buildings) it must be done in the name of SSA- Group Name, and a copy of the Committee meeting minutes or resolution confirming the group wish to enter into the lease, confirming the terms and mandating the Regional team to sign on their behalf must be attached to the file copy of the lease agreement. The lease agreement shall be signed by or

witnessed by either of the Regional Property Representative (or a member of the National Property Committee) and the Regional Commissioner (or member of the Regional Management Committee). A copy of the lease agreement will be given to the Regional/national office

1.6.4. Before entering into a new lease agreement the Group Committee or Regional team as relevant shall present a budget and development plan to the District Commissioner, Regional Commissioner and Regional Property Representative for endorsement.

1.6.5. In the event that a group should enter into a commercial lease agreement such as a cell tower or broadcast tower that requires permanent alterations to site that prohibits the Group from using that part of the property, and where the annual rental payable to the group exceeds 50% of the operational annual expense of the Group, then after deductions of any direct costs to realise the rental, the balance of the proceeds from such rental shall be allocated as follows:

- 50% will be allocated to the group;
- 30% to the region where the group is registered, and ;
- 20% to the National Office.

1.6.6. All such commercial leases shall be reported to the Regional Finance Representative and the Regional Property Representative prior to entering into the lease to ensure that an equitable apportionment is agreed in writing and to ensure that the SSA property is being optimally utilized and not suffering any long term impairment or sterilization of benefit to SSA. A copy of the agreement to be given to the Regional/National office.

1.7. PROPERTY –Register, Levies and Rates

1.7.1. Every individual Scout group, or any organ of SSA which has ownership, occupation or effective control of any land is required to register such with the Regional Property Representative and the National Property Committee. It is the responsibility of the respective organs of SSA to maintain the integrity of their respective property registers on the National Property Database. All property registers are to be updated annually as at 31 October for reporting purposes. The individual Scout Group, or any organ of SSA must ensure through their Treasurer that all statutory duties and obligations imposed by Local, Provincial and National Government are fulfilled and all possible relief from municipal rates is obtained.

1.8. PROPERTY – Budget requirements

1.8.1. All properties that are utilised or controlled outside of the Social Partnership Agreement with a specific group such as camping grounds and the like (as referred to in the Constitution) shall present an annual budget to the Regional Finance Representative and the National Property Committee for approval, at least one month prior to the start of each financial year. The National Property Committee or Regional Finance Representative will not have the authority to

approve a loss making budget unless it is a short term loss and is fully motivated. Should a special circumstance exist, the budget and rationale, approved by the respective Regional Commissioner and Property Representative is to be submitted to the National Property Committee and Chair: National Finance Committee for written approval.

1.9. PROPERTY – Land usage

- 1.9.1. The individual Scout group, or organ of SSA must obtain a formal written authority and a written lease agreement signed in accordance with clause 1.6.3 above for any land (with or without buildings) which they do not own and which is to be occupied or made use of.
- 1.9.2. There shall be no capital expenditure incurred in respect of any such land or buildings unless a minimum 10 year lease (preferably a 10 year plus optional 10 year) is in place and/or such expenditure is considered justifiable by the National Property Committee.
- 1.9.3. No new building, additions, alterations of capital expenditure shall be commenced without approved local authority plans being in place and a full project budget showing the detailed cost and source of funding by Group or Region has been endorsed by the National Property Committee representative. Finance procedures must be in line with the National Finance, Fundraising and Administration Policy.
- 1.9.4. The individual Scout Group or Regional Finance Representative for any other Regional property must ensure that all possible relief from municipal rates and levies is obtained.
- 1.9.5. The Scout Group responsible for the leased or owned land shall ensure that the premises are maintained, surrounds cleaned, neighbours respected and all terms of the lease or title deeds are fully adhered to.

2. MOTOR VEHICLES, TRAILERS, VESSELS AND AIRCRAFT

- 2.1. The Treasurer of the individual Scout group, or any other organ of SSA must ensure that motor vehicles, trailers, vessels and aircraft owned are properly registered, licensed and insured as necessary and that all legal requirements as to their condition, testing or any other matter are fulfilled.
- 2.2. All such must be registered either in the name of the individual Scout Group or SSA.

3. EQUIPMENT

- 3.1. The Treasurer of the individual Scout group, or other organ of SSA must maintain proper inventories of all controlled equipment in excess of R10,000 in value. This includes but is not limited to furniture, training equipment, musical instruments etc.

4. SAFE CUSTODY OF DOCUMENTS

- 4.1. The Treasurer of individual Scout group, or other organ of SSA must ensure that documents relating to the ownership of property and equipment (lease agreements included) and all other legal and official documents, together with any documents of historical importance or interest are kept in a safe place. Full copies thereof must be handed to the Regional/national Office.
- 4.2. Specific documents that must be safeguarded at the SSA National Office are copies of:
 - 4.2.1. Notarial certified title deeds to land or buildings;
 - 4.2.2. stock and share certificates;
 - 4.2.3. documents relating to motor vehicles, trailers, vessels and aircraft;
 - 4.2.4. insurance policies.

Amendment Submission Contact Details

While every attempt is made to ensure that the contents of this Policy are correct and consistent at the time of publication, the changing nature of SSA and the communities that we serve is acknowledged, and as living documents this Policy should and will require correction and amendment from time to time.

Any proposals for amendment of the contents of this policy should be submitted in line with the process described in the standing Organisation Rules in effect at the time of submission of the proposed amendment.

The proposed amendments for this document should be submitted to:

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info@scouts.org.za