

13.1 DEVELOPING, REFURBISHING, MAINTAINING, SELLING OR PURCHASING PARISH PROPERTY AND RELATED MATTERS

These procedures are to be followed whenever a parish is proposing to:

- a. purchase, acquire or receive by gift or bequest land or buildings
- b. construct, erect, alter, demolish or remove any parish buildings or any part of a parish building
- c. undertake repairs or maintenance to a building where
 - i. the cost of the specific work exceeds \$25,000 (excluding GST)
 - ii. the cost of total maintenance and building in a calendar year on that building exceeds \$40,000 (excluding GST)
 - iii. the building has been listed for heritage purposes irrespective of the costs
- d. undertake work which requires a development application from a local government authority
- e. sell, exchange, lease or subdivide property
- f. establish or change a memorial garden, columbarium or cemetery (see 13.7 for more details).

In this document, whenever the term Parish Council is used, the Parish Resourcing Team may exercise the responsibilities of the Parish Council unless the Parish Council has directed otherwise.

[If the proposed developed involves refurbishment to, or erection of anew Rectory or Assistant’s cottage, please refer to Sections 6.1(a) and 6.1(b) of the Diocesan Handbook – Minimum requirements for a new rectory (6.1)(a) or Requirements when Refurbishing Existing Clergy Housing (6.1(b)].

Step 1 Parish Council identifies what it is seeking to do - The Parish Council identifies what it is seeking to do, which must have the formal support of the Incumbent and the Parish Council.

Step 2 Parish Council Delegates Identified - The Parish Council nominates the person or people who will liaise with diocesan authorities and others to explore the concept.

Step 3 Liaising with the Diocesan Property Services Unit – The Parish Council delegates contact the Diocesan Property Services Unit through the Property Officer to explore the proposal and to identify the steps that will need to be taken to ensure that all approvals are in place.

Step 4 Property Approvals Process Guide – The Diocesan Property Services Unit will provide the Parish with a Property Approvals Process Guide or draft within 15 working days for the concept that the Parish is considering. The Property Approvals Process Guide may change when further information comes to light but as a guide the Parish can expect that the Diocesan Property Services Unit and/or Property Approvals Board will be seeking a clear understanding of the:

- significance of any site on which work is proposed from an architectural, artistic, archaeological, cultural, historic and indigenous perspective
- proposed work to assist the mission and ministry of the parish, responds to the needs of the parish and/or responds to the needs of the community which the parish serves
- options available to the parish around the proposed work
- consultation that has been undertaken or needs to be undertaken to ensure the parish, diocesan community and wider community understand and/or support the proposed work
- financial returns and costs of the proposed work together with an indication of the way costs will be met
- formal internal and external legal processes which must be completed
- supervision of a project by the Property Approvals Board and the Parish
- impact of the proposed project on the future use/development of the site.

The Property Approvals Process Guide must be approved by the Chair and Property Officer of the Property Approvals Board. These officers may refer a Guide to the Property Approvals Board for approval.

As a guide the Property Approvals Board and Diocesan Property Services Unit will:

- often require the parish to obtain and pay for independent expert opinion from real estate agents, planning advisors, architects, engineers
- require three (3) appraisals for the sale of a property indicating the sale value of the best possible use of the site
- require three (3) appraisals for the lease of the property including leasing costs

- appoint a member of the Property Approvals Board or Diocesan Property Services Unit or other suitable person to supervise building projects with a value between \$25,000 and \$250,000
- require the appointment of Project Manager for building projects with a value in excess of \$250,000
- stipulate that the Property Approvals Board or Diocesan Property Services Unit must approve a development application before it is submitted and this MUST be executed by the Diocesan Business Manager
- stipulate that a delegate of the Property Approvals Board or Diocesan Property Services Unit must assist the parish to set a sale price
- stipulate that the Property Approvals Board or Diocesan Property Services Unit must approve tender specifications and terms and conditions prior to the calling of tenders and prior to the letting of the contract and authorise the appointment of the successful tenderer
- wish to know whether there has been formal or informal dissent within a Parish to a proposal.

Parishes must remember that the written approval of the Bishop is required before a Parish may submit an application to the Property Approvals Board for the erection, addition, removal or demolition of any building on Church Property. The Diocesan Property Services Unit will assist the Parish make an application to the Bishop.

Parishes must remember that the written approval of the Bishop is required before the furnishings and fittings of a Church are added to, removed or altered. The Diocesan Property Services Unit will assist the Parish make a Faculty Application to the Bishop. (Refer to the Diocesan Handbook 13.2 for Faculty Application instructions.)

Parishes, must remember that the written approval of the Bishop is required before a rectory or curates residence can be leased.

Step 5 Documentation – The Parish Council and the Parish Council delegates will be expected to keep complete records of property matters. The support of the incumbent must be formally recorded in the Parish Council minutes.

Formal decisions of the Parish Council require a resolution at a meeting which is recorded in the minutes and communicated in writing by the Parish Council Secretary or Parish Council delegates.

The Property Approvals Process Guide and all decisions of the Property Approvals Board or Diocesan Property Services Unit will be communicated in writing (this includes email).

The Property Approvals Board and Diocesan Property Services Unit will make forms available to the Parish to assist this work. Whenever possible these forms should be used. However, processes will not be delayed if the material is provided in other suitable written formats.

Formal legal documentation including contracts (including but not limited to Development Applications, Agency Agreements and Construction Certificate Applications must be signed by the Diocesan Business Manager.

A document outlining all the delegations to all offices under this policy will be created as required.

Proceeds from Sale of Church Property

There are various costs associated with the sale of Church Property.

Costs that the Parish maybe expected to incur include:

- GST will apply to all property sales excluding residential properties;
- Legal costs associated with Conveyancing; and
- Real Estate Fees;
- Project Cost Recovery - a project cost recovery fee will be applied to the proceeds from the future sale of church property equivalent to 3% of the sale price (ex GST) to fund the necessary work of the Diocesan Office - provided that the minimum cost recovered be no less than \$5,000 and the maximum cost recovered be no more than \$50,000 per transaction, reserving to the Diocesan Council the capacity to waive or reduce the recovery of fees.

The usual dispersement of funds after these costs would be:

- 40% redress; and
- 60% Diocesan Mission and Ministry Trust.

Parishes may make an application to the Diocesan Council to retain funds where appropriate.

Note: Insurance costs are determined annually, and as such there will be no refund available when the insurance on a property is cancelled.