

The Church Commissioners Annual Review 2016

# Investing in the Church's growth



# The Church Commissioners at a glance

We manage a £7.9bn investment fund in a responsible and ethical way, aiming to generate a total return averaging inflation (RPI) +5% per annum over the long term. We use these returns to support the Church of England, including grants for mission activities, bishops and cathedrals.



£54.1m

Mission activities and diocesan and ministry support

£122.2m

Clergy pension

. f48.3m

Bishops' ministry and cathedral costs

£5.2m

Parish reorganisation and closed churches

£0.9m

National payro for clergy

£230.7m

Total support for the Church of England in 2016

One of the largest charitable givers in the UK

### Welcome

The Church Commissioners exist to support the work and mission of the Church of England today and for future generations, ensuring a Christian presence in every community.



Throughout 2016 the Church Commissioners proved to be vital partners in providing the Church of England with the necessary financial resources to help our network of 12,500 parishes, 80,000 volunteers and 12,400 clergy proclaim the Good News of Jesus Christ.

This review details the crucial role the Church Commissioners continue to play in providing ministry support, funding local community projects across the country and other vital expenditures that ensure the long-term sustainability and growth of the Church, so that it can live out its calling.

I look forward to continued partnership between the Church Commissioners and the wider Church in 2017 as we work together to support our wider mission of living and proclaiming the Gospel of Jesus Christ, in word and deed.

Justin Welby
Archbishop of Canterbury



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Our priority is to serve the Church of England in her wider mission, ensuring the gospel of Jesus Christ is lived and proclaimed.

Andrew Brown, Secretary to the Church Commissioners

One of the privileges that comes with being Secretary to the Church Commissioners is learning of the extraordinary work being done throughout the Church of England – dedicated people living out the gospel of Jesus Christ and making a positive difference for people in their communities.

In 2016 we contributed £230.7m to the mission of the Church of England. While this is only 15% of the Church's overall income – most funding comes from the extraordinary generosity of parishioners – we are delighted to be able to play our part. Our funding is targeted towards mission opportunities and those

areas which are most in need, as well as meeting our ongoing responsibilities for bishops, cathedrals and clergy pensions.

Our priority is to serve the Church of England in her wider mission, ensuring the gospel of Jesus Christ is lived and proclaimed across the nation. That is why serving as Secretary to the Church Commissioners is such a privilege, and I look forward to continuing to see the impact of our work in the months and years ahead.

Andrew Brown
Secretary to the Church
Commissioners

### Lake District

Established in 2014, Strategic Development Funding supports major projects within dioceses that can make a significant impact on their mission to the communities they serve. Three tranches totalling £15m were awarded by the end of 2016.



The Diocese of Carlisle was awarded £859,000 of Strategic Development Funding in June 2016 to help fund its God for All strategy, which aims to help everyone in Cumbria discover more of God and his purpose for their lives.

John Muir, one of the earliest and most prominent advocates for the US National Parks, once said "I would rather be in the mountains thinking of God, than in church thinking about the mountains." Mountain Pilgrims, one of the projects which has come out of God for All, takes

this as its inspiration. Set in the stunning scenery of the Lake District, it is a fresh expression of church which aims to help people see the Creator behind the creation, particularly those who may not consider attending a more traditional form of church.

Mountain Pilgrims consists of three strands. The 'active' strand involves exploring the 'natural cathedrals' of the Lake District and featured prominently in a film the group made for the Kendal Mountain Film Festival (the biggest gathering of its type in the UK). 66

I would rather be in the mountains thinking of God than in church thinking about the mountains.

John Muir, founder of the US National Parks.

The 'reflective' strand, aimed at adults and more mature young people, involves a theme-based reflection, helping people connect to one another and the environment. And the 'abbey' strand is a specifically Christian community which meets in a local climber and walkers café for breakfast. Each strand is designed to help people explore faith, no matter what stage of their faith journeys they might be at.

Mountain Pilgrims has already planted two other fresh expressions of church in the area, including Mini Pilgrims for families, and 4th Sunday Adventure, which attracts up to 50 people. An active Facebook group keeps people connected between events, building the community and enabling members to share thoughts about how the mountain experiences impact daily life. "The diocese's God for All

strategy is about helping people to discover God for themselves, and Mountain Pilgrims is a great expression of that", says Richard Passmore, Fresh Expressions Enabler for the Diocese of Carlisle. "It has been a thrill to see people come along and explore Christian themes in the magnificent setting of the Lake District who otherwise might not be interested in exploring Christianity."

Mountain Pilgrims has grown quickly, with over 70 people now involved in different groups. With two new groups started in the first year, it has the potential to become a new type of resourcing church. Resources are also made available on the God for All website for anyone wanting to start similar projects.



## Margate

The Church Commissioners have always had a responsibility to help churches in poorer parishes. Developing Church Growth in Deprived Areas funding is one of the ways we have sought to achieve this.

Ignite is a fresh expression of church run by St Paul's in Cliftonville, Margate. St Paul's is the 18th most deprived parish in the country, and Ignite received Developing Church Growth in Deprived Areas funding to fund its work in a deprived community with high levels of social exclusion.

Ignite now gathers a regular weekly congregation of 50–70 people. Every effort is made to make people feel welcome – relationships are vital. Each person is greeted by name, and much of the weekly meetings are spent eating, talking and building friendships.

One of the observations which lies behind Ignite is that mainstream church services do not meet the needs of everyone. Each weekly Ignite meeting is broken up into small segments of five to eight minutes long, whether a quiz, a sketch, a discussion or a craft activity. This means that people can drop in and still gain something from the meeting if they are not able to attend the full session, and that attendees who are not used to long periods of direction from the front of a venue can benefit as well.

"One of the highlights of Ignite has been seeing many of the people who come begin to grasp that God loves them", said Patrick Ellisdon, vicar of St Paul's. "It's fundamentally church - we share a meal, we pray, and we worship together. We've seen so many people move on in their lives as a result of being part of the Ignite community, whether that's living a more healthy and peaceful life, all the way through to making a faith commitment for themselves."

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One of the highlights of Ignite has been seeing many of the people who come begin to grasp that God loves them.

Patrick Ellisdon, vicar of St Paul's, Cliftonville



### Bedford

Funding for Mission in New Housing and Other Development Areas was designed to help dioceses develop a sustainable Christian presence in new communities. £7.25m was allocated to 15 dioceses almost ten years ago, and continues to be drawn down.



Suzette and David Maguire are pioneer ministers (Church Army) on the new estates of Great Denham and West Kempston, on the outskirts of Bedford. Supported by Funding for Mission in New Housing and Other Development Areas, their vision is to establish new expressions of church life, each with their own suitable forms of worship, teaching, fellowship, outreach and pastoral care.

Having been in the post for two years, it is still early days for the kind of ministry they are pioneering. Their focus is currently on listening to members of the community, building relationships and getting involved with different institutions in the area, such as schools and children's centres. On Easter Sunday Suzette and David were joined by ten residents of the new housing estates for a 'Sunrise Walk', with some short Easter reflections en-route followed by breakfast.

Deep relationships are being formed already, with many of the people they meet opening up and turning to them for support.

"Once at a social event someone offloaded some personal stuff from their history", Suzette says, "following this up by saying how they had surprised themselves as they don't usually share this quickly with people!"

One of the people Suzette and David had come into contact with in the community has been motivated to start volunteering. "From tomorrow I start work as a volunteer at the Bedford Foodbank on Tuesdays. This all came about following my discussion with Suzette at Christmas. Thanks for the company, the walks and the onward push."

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Thanks for the company, the walks and the onward push.

Local resident

#### Newcastle

Cathedrals are focal points not only for the Church but for the communities which they serve, opening their doors to millions of visitors each year. We support the ministry of cathedrals by funding the dean and two residentiary canons at all cathedrals except Oxford, and by providing grants for staff costs.

St Nicholas Cathedral is in the heart of Newcastle, next to the castle keep from which the city derives its name, and a short walk from the river, train station and main shopping centre. Christian prayer and worship are offered daily, and have been on the same site for 900 years.

Reflecting its central location, the cathedral holds events for the community throughout the year, being a focus for diocesan and city celebrations as well as the home of a worshipping community.

Last year the cathedral hosted its second advent sleep-out in conjunction with Together Newcastle, a joint venture between the Church Urban Fund and the Diocese of Newcastle. In early December, 30 young people came together to celebrate the start of advent and to think about how the homelessness of Mary and Joseph is mirrored today in the experiences of many people in our own society.

Participants aged 10–18 met in the cathedral, taking part in a series of group exercises designed to get them thinking about the cycle of homelessness and isolation which many people find themselves in.

They then took part in painting a mural (pictured below) with local artist Andy Morley, which was left up in the cathedral into the New Year. The evening ended with prayers and participants were encouraged to find quiet spots around the nave and in the side chapels to bed down for the night – a small glimpse into a daily reality for rough sleepers in Newcastle.

#### Salford

Thriving churches in city centres are crucial to the work and mission of the Church of England. £1.45m was allocated to support City Centre Resource Churches in 2014-16.

A City Centre Resource Church at St Philip's, Chapel Street in Salford was launched in September 2016 in partnership with New Wine and at the invitation of the Bishop of Manchester. The church is led by Gareth and Lizzy Robinson (pictured right), who moved from the church they had previously started in Stockport.

St Philip's is located five minutes from Salford University and Salford Central station, placing it in the heart of this growing and increasingly influential city in Greater Manchester, Still in its first year, the Resource Church has already run three Alpha Courses and started a youth group, a parent and toddlers group and English classes, as well as hosting several events for the New Wine church network. The church was started with a focus on young adults and the poor, and as with other City Centre Resourcing Churches aims to itself start new churches in due course.



Closed Churches

## **Ipswich**

The Church Commissioners settle the future of church buildings closed for regular public worship.

St Mary-at-the-Quay in Ipswich is a Grade II\* listed church building which had not been used regularly since the Second World War. Located near the waterfront in the town, the building was at risk of falling into disrepair.

The Churches Conservation Trust, co-sponsored by the Church Commissioners and the Government, partnered with mental health charity Suffolk Mind to undertake a £5.1m project over eight years, turning the medieval church into Quay Place – a modern, versatile building with therapy rooms, a café, and ample space for community activities and events. The finished building features a variety of materials, telling the story of the church, its people and its place in Ipswich.

# Transition Pathway Initiative

The Church Commissioners are committed to managing their fund in an ethical and responsible way, and to engaging with the companies in which they are invested.

The Transition Pathway Initiative is an asset owner-led initiative, supported by asset managers and owners with over £2trn of assets under management. It assesses how companies are preparing for the transition to a low-carbon economy through a public and transparent online tool.

The Church of England's National Investing Bodies ('NIBs') have led the initiative in partnership with the UK Environment Agency Pensions Fund, and with data and analysis provided by the London School of Economics and FTSE Russell. It was launched on the London Stock Exchange in January 2017, with preparation having taken place throughout 2016.

The initiative came about as a result of the National Investing Bodies' climate change policy, which committed us to engage more intensively with companies on climate change and assess whether they are taking seriously their responsibilities to assist with the transition to a low-carbon economy.

Assessments from the TPI produced by the London School of Economics will be used to support our engagement with companies over the coming year and provide a clear and transparent basis upon which to report progress of engagement. The TPI also provides a basis to be able to assess the exposure to transition risk within our portfolio and to better inform our decision-making.

Adam Matthews, Co-Chair of the initiative and Head of Engagement for the Church Commissioners and Church of England Pensions Board, said: "The Transition Pathway Initiative is a tipping point for the market. The initiative will identify companies that are aligned with the transition to the low-carbon economy and those most exposed to climate transition risk. There can be no doubt about the seriousness with which asset owners are taking account of these risks and it will be a key feature in the discussions we will be having with companies over the coming years."



### Solar farm

The Church Commissioners hold a diverse and high-quality property portfolio, taking a long-term approach in line

with our charitable objectives.

The Church Commissioners partnered with Lightsource Renewable Energy to build a solar farm on two fields near Nether Welton, eight miles from Carlisle.

The fields were carefully chosen, ensuring that there are limited views from the surrounding landscape due to the surrounding vegetation. The land continues to be grazed, maintaining its agricultural use in addition to the renewable energy it generates.

Completed in March 2016, the solar farm produces 5MW of power, generating electricity for around 1,200 homes.



#### Governance

# Showcasing the Commissioners in Parliament

The Church Commissioners are accountable to Parliament through the Second Church Estates Commissioner, Rt Hon Dame Caroline Spelman MP.

Dame Caroline hosts a number of receptions throughout the year on behalf of the Church Commissioners, showcasing the work of the Church of England to parliamentarians.

In November 2016, Dame Caroline held a reception on the theme of community cohesion. Guests were joined by Rt Hon Sajid Javid MP, Secretary of State for Communities and Local Government, to celebrate the work of the Church Urban

Fund's Near Neighbours project (pictured right), church schools, and funding provided by the Church Commissioners to strengthen community ties and social cohesion.

Revd Annie McTighe, pioneer minister for the Queen Elizabeth Olympic Park, spoke to guests about the work she is doing to form a community in an entirely new housing area thanks to the funding provided by the Church Commissioners.





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