GENERAL SYNOD

Review of the Church Urban Fund

Joint Statement by the CUF Trustees and the Review Body

1. Attached to this note members will find a statement on some of the specific issues covered in the report of the Review of the Church Urban Fund (CUF) which has been jointly agreed by the Fund's Trustees and the CUF Review Body. The production of the statement follows a series of discussions which have taken place between the Trustees and the Review Body in the wake of publication of the Review Group's report.

2. In the light of this statement, the Trustees have decided not to circulate to Synod a separate written response to the Review Group's report. References to such a response in the Business Committee's Report on the Agenda (paragraph 20 of GS 1398) and the Archbishops' Council's report to Synod on the review (GS 1400) are therefore overtaken. The attached joint statement, with the information in GS 1400 and the remarks of Mr Stephen O'Brien (Vice Chairman of the Fund) in the presentation which will precede the Synod debate, will together inform Synod of the Trustees' reaction to and intentions following the Review report.

3. The presentation preceding the Synod debate will include input by the Chairman of the Review Body, the Bishop of Bradford, Mr O'Brien and Archdeacon Pete Broadbent (on behalf of the Archbishops' Council). Archdeacon Broadbent will then move item 10 on the Synod's agenda very briefly, in order that Synod members may contribute their views. Towards the end of the debate, the Chairman will be invited to give spokespeople for the Review Body and the Trustees an opportunity to comment briefly on key points arising from the contributions by members relating particularly to their interests, before Archdeacon Broadbent winds up the debate.

4. If any member has any queries about the documentation or these arrangements, they should not hesitate to put them to Andrew Davey in the Board for Social Responsibility (tel 020 7898 1446), David Williams (Clerk to the Synod, tel 020 7898 1559) or to me (tel 020 7898 1360).

Church House, SW1
23 October 2000

Philip Mawer
Secretary General

Joint statement by
The CUF Trustees and The Review Body
RE: Specific issues raised in the Review Body report

1. The Review Body and the Church Urban Fund Trustees have held a series of discussions, both formal and informal about aspects of the detail of the Review Body's report and can report the following progress.

2. In paragraph 6.7 of their report, the Review Body referred to the level of grant awards running ahead of RPI, contrary to the Trustees' stated policy. This was based on information submitted, which has now been found to be inaccurate. The Review Body is, therefore, happy to withdraw paragraph 6.7 in the light of the revised figures.

3. The Review Body's report proposed a number of ways of strengthening the CUF Trustees' role. The analysis leading to these proposals did not in any way intend to question the competence, commitment and integrity of Trustees, which the Review Body is happy to affirm. Rather the proposals arose from the purpose of the Review, looking at CUF thirteen years after its establishment and making recommendations for its future. The Trustees have already acted on several of these, most notably in:

a) the setting up of a finance committee to examine budgets and other issues in greater depth before presentation to a full meeting of the Trustees
b) the setting up of a fundraising committee to develop and monitor fundraising strategy. This committee is now examining alternatives to the suspended donor acquisition programme, in the light of the wish to secure a longer-term future
c) a significant reduction, by approximately £200,000, in projected "non-grantmaking" expenditure for the year 2000. A large proportion of this reduction is accounted for in the suspension of the donor acquisition programme
d) not filling staff vacancies thus reducing staffing levels from 18 to 16
e) their intention to prepare a business plan in line with the Trustees' proposals for the future
f) their intention to explore with the Archbishop's Council a set of performance indicators against which the performance of the Church Urban Fund can be

measured and which will form the basis of future monitoring of the Fund's cost effectiveness.

4. Both the Church Urban Funds' own internal analysis up to the end of 1999 and, therefore the Review Body's reflection on this, presented expenditure in terms of income (both fundraising and investment.) We now feel that this particular method of analysis creates a confusing picture for a fund whose capital base is declining.

5. The future direction to be taken by the Fund will, of course, influence what is the most effective and efficient way of running it. Its operation must scrupulously reflect whatever balance of activities (e.g. grant giving, development, dealing with other funding sources) offers most to the Fund's beneficiaries in the short and longer term. The Trustees will offer clear reasons as to why particular methods are the best and most economical.

6. Finally, the Review Body suggested some devolution of grantmaking powers to dioceses, where appropriate. The Trustees welcome this suggestion and will work with the Archbishops' Council and the dioceses to see how this might be achieved. We are advised that this is possible under charity law but it will require changes to CUF's constitution.

7. We offer these reflections as a positive and agreed way forward for members of General Synod, for the Archbishops' Council and others, to contribute to the process of reviewing and developing a continuing Church Urban Fund.

+David Bradford

+David Smith
Bishop of Bradford
Chairman of the Review Body

Stephen O'Brien
Vice-Chairman of the Church Urban Fund

19 October 2000

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