

GENERAL SYNOD

JULY GROUP OF SESSIONS 2019

FIFTH NOTICE PAPER

- ITEM 501: DRAFT CHURCH OF ENGLAND (MISCELLANEOUS PROVISIONS) MEASURE**
- ITEM 507: DRAFT DIOCESAN BOARDS OF EDUCATION MEASURE**
- ITEM 8: RESPONDING TO SERIOUS YOUTH VIOLENCE**
- ITEM 10: CLERGY WELLBEING**
- ITEM 13: MISSION AND MINISTRY IN COVENANT**
- ITEM 14: REFUGEE PROFESSIONALS**
- ITEM 508: DRAFT CATHEDRALS MEASURE**
- ITEM 509: FACULTY JURISDICTION (AMENDMENT) RULES**
- ITEM 17: TRIENNIUM FUNDING WORKING GROUP**
- CONTINGENCY BUSINESS: DISADVANTAGED COMMUNITIES**

Financial statement pursuant to Standing Order 108

1. Financial Statements under Standing Order 108 set out the estimated financial effect of implementing recommendations of reports and taking forward motions if they are passed by the Synod. In most cases figures provided are approximate, recognising the inherent uncertainty in estimating various factors. Members are asked to take this statement into account alongside non-financial factors when considering these items of business.
2. Estimates of the financial implications of any amendments proposed by Members will be provided in a subsequent notice paper or in an oral statement from a member of the Archbishops' Council's Finance Committee who is a General Synod member (usually the Chair).
3. As agreed with the Business Committee in 2016, an item is included in this memorandum if (i) the estimated financial impact (either actual costs or savings or the opportunity cost or saving - e.g. the cost of clergy or staff time) is £20,000 or more or (ii) it is thought a statement on the estimated financial impact of a proposal is thought likely to be helpful to members. These thresholds are applied to the whole of any time-limited project or a period of three years for on-going activities.
4. If the cost of work on any motion, if passed, would fall to the Archbishops' Council, it would need to be met from within the Council's 2020 budget envelope which Synod will be asked to approve at the July 2019 Group of Sessions, or subsequent budgets. For any work not already scheduled, the relevant Director, in consultation with others, would consider whether other work of similar cost should be dropped or postponed, or if additional, unbudgeted, staff resource could be provided by securing funding from another source or drawing on reserves. Estimates of staff and clergy time are usually an opportunity cost, illustrating the cost of other work that would need to be dropped or deferred. If it is not possible to drop or defer sufficient other work, there would be an impact on the timescale for delivery of the requested work.
5. All costs are estimated at 2020 levels unless otherwise stated. Costs include relevant salaries, employers' national insurance and pension contributions.

ITEM 501: DRAFT CHURCH OF ENGLAND (MISCELLANEOUS PROVISIONS) MEASURE

6. The proposal in clause 8 for parochial registers to be maintained in electronic form will require some systems development work, probably to create a portal for data entry and data capture. The system development cost for this work is estimated at up to £15,000.
7. Although not a direct result of the draft Measure, the NCIs are planning to implement a new People system. This will enable a national clergy register to be maintained, as well as providing Payroll and HR administration functionality. This will be a significant and costly undertaking, but will provide wide benefits.
8. The requirement in clause 2(5) for on-line access to a clergy register will require specific investment in digital systems. To minimise the incremental costs, which were estimated in previous financial memoranda at £10,000, the current intention is to provide this as part of the NCIs' People system project.
9. The current intention is that all new appointments and changes to Bishops' licences will be uploaded to the national register of clergy from the Diocesan Contact Management System (CMS) for those 32 dioceses which currently use the CMS. To ensure that the NCIs are provided with details of all new appointments and changes to Bishops' licences, there will be resource implications for staff time in any of the ten dioceses which do not currently use the CMS. But it is not feasible to estimate this. If these dioceses decided to use the CMS, the current cost per diocese to move to the CMS and complete the transfer of all existing data is £9,000. Each year thereafter the current annual cost for annual support, hosting and minor system developments is £4,000.
 - Estimated system development costs to facilitate maintenance of parochial registers in electronic form: up to £15,000.
 - Estimated cost for any of the ten dioceses currently not using the CMS deciding to use the CMS: initial cost £9,000 and an annual cost of £4,000.

ITEM 507: DRAFT DIOCESAN BOARDS OF EDUCATION MEASURE

10. As noted in GS2131X, the key change proposed in the draft Measure is the introduction of the option for Diocesan Boards of Education (DBEs) to be constituted as a statutory committee of their Diocesan Board of Finance (DBF) and clarification as to how the two current options for the constitutional form of DBEs (i.e. being either incorporated or unincorporated) should operate.
11. If the Measure completes all the Synodical and Parliamentary stages and is brought into force, DBEs will need to review their constitutional form and consider whether they wish to change their legal form, register with the Charity Commission (if they are not already so registered) and determine what changes may be needed to their governing documents. In addition, a new diocesan scheme will be needed in each diocese, conferring DBE status on the chosen entity.
12. The NCIs' Legal Office will provide guidance, as well as template schemes for diocesan synods, but DBEs are likely to need their own legal advice. The cost of such advice for each diocese is estimated to range between £1,500 (if an incorporated DBE decides to continue to operate under a diocesan scheme and needs to make very modest changes to its articles of association following the introduction of the new Measure) and £10,000 (if an unincorporated DBE decides that a new incorporated body should be formed and registered with the Charity Commission). The legal costs could potentially be more if the changes a diocese decides to make are particularly complex and/or significant challenges arise which need to be addressed.
 - Estimated legal costs to review the structure of the DBE and make any changes identified: between £1,500 and £10,000 per diocese

ITEM 8: RESPONDING TO SERIOUS YOUTH VIOLENCE

13. If the motion is passed, the National Church Institutions would need to consider how to respond to the call in part (a) of the motion to contribute to the understanding of Serious Youth Violence and strategies to prevent it and making available resources for those affected. One outcome could be for the Archbishops' Council to develop and deliver separate training programmes for church communities and chaplains working with victims of Serious Youth Violence. If these programmes were delivered on a "train the trainer" basis it is estimated that the national level training could be delivered for around £40,000.
14. The cost to the Archbishops' Council of undertaking or commissioning research to help respond to the issues raised in part (b) of the motion is estimated at £50,000.
15. If the motion is passed, dioceses would need to consider how to respond to part (c) of the motion. The cost of any additional resource would depend on the existing provision in each diocese for locally based resource and support networks, training for Church leaders and work with statutory organizations and wider civil society on the issues stated in the motion.
 - Estimated cost of developing and delivering separate training programmes for church communities and chaplains working with victims of Serious Youth Violence: £40,000.
 - Estimated cost of undertaking or commissioning research: £50,000.
 - Illustrative cost of additional diocesan resource to respond to the issues raised in part (c) of the motion: dependant on diocesan decision.

ITEM 10: CLERGY WELLBEING

16. Many of the proposed commitments outlined in the report (e.g. in respect of clergy housing and ensuring that clergy receive appropriate training and development, support, and participate in Ministerial Development Reviews – MDR - at least every other year) are already legal requirements and should not therefore in themselves generate additional costs. However, some other proposals in the report would be likely to result in additional costs to dioceses.
17. If the Covenant set out at paragraph 20 of GS 2133 is adopted, dioceses would need to decide on what changes to make in the light of the Covenant, having regard to their available resources and other budget priorities. The extent of additional costs for each diocese arising from the Covenant would depend on the existing level of provision in a variety of areas (such as MDR, pastoral supervision and reflective practice) and the future desired level and regularity of such provision. Depending on the level of additional funds required, some dioceses may need to make a judgement about the relative priority of improving the quality of their MDR beyond the legal minimum and providing pastoral supervision.
18. Any additional provision should be regarded potentially as an investment as well as a cost, as it could reduce cases of expensive ministerial burn-out and enable clergy to be more effective in ministry. Better MDR and pastoral supervision and reflective practice should help issues to be resolved earlier before they become acute.
19. If the Covenant is adopted the Archbishops' Council may decide that a review of MDR and the Archbishops' Council's advice to which bishops are required to have regard should be undertaken. The costs of staff time of such a review are estimated at £10,000.
20. The estimated cost of additional staff resource at the NCIs which would be needed to service the Clergy Care and Wellbeing Facilitation Group envisaged in part (d) of the motion is up to £25,000 p.a.
 - Estimated cost to dioceses of implementing the Covenant: dependant on diocesan decisions.
 - Estimated cost of staff time to undertake a review of MDR should the Archbishops' Council decide this is needed: £10,000.

- Estimated cost of additional staff resource to service a Clergy Care and Wellbeing Facilitation Group: up to £25,000 p.a.

ITEM 13: MISSION AND MINISTRY IN COVENANT

21. The cost of staff time to prepare draft legislation for First Consideration as envisaged in part (c) of the motion is estimated at £15,000. If the Measure proceeds, the cost of staff time to complete all the subsequent Synodical and Parliamentary stages is estimated at a further £20,000.
22. The cost of staff time to support the Faith and Order Commission in the work to be carried out with the Methodist Church's Faith and Order Committee envisaged in part (d) of the motion is estimated at up to £12,000 over a period of two years.
 - Estimated cost of staff time to complete all the Synodical and Parliamentary stages of a Measure to give effect to the proposals: £35,000, £15,000 of which relates to preparing a draft Measure for First Consideration.
 - Estimated cost of staff time to support the work in part (d) of the motion: up to £12,000 over two years.

ITEM 14: REFUGEE PROFESSIONALS

23. Decisions on the level of any financial support provided by dioceses to refugees and the cost of clergy / staff time to support work with refugees as envisaged in part (i) of the motion would be a diocesan decision. Any such support would need to be funded from the relevant diocesan budget.
24. The cost of staff time to enable the Mission and Public Affairs Council to provide dioceses with advice as envisaged in part (ii) of the motion is estimated at £10,000 in the first year and £5,000 p.a. thereafter.
 - Estimated cost of providing support to refugees: dependant on diocesan decisions.
 - Estimated cost of staff time to enable the Mission and Public Affairs Council to provide advice: £10,000 in the first year and £5,000 p.a. thereafter.

ITEM 508: DRAFT CATHEDRALS MEASURE

25. If the motion is passed, the draft Measure would be committed to a Revision Committee. The expected additional cost of the Steering and Revision Committees, including meeting, travel and subsistence costs, is below the £10,000 threshold for formal comment.
26. The estimated cost of staff time involved in completing the legislative process for the draft Measure, including the Parliamentary stages, is estimated at £50,000. It should be recognised that by passing the motion before it, the Synod would only be committing to the Measure proceeding to the Revision Stage. The cost of staff time of the Revision stage is estimated to be approximately £40,000. At the Revision stage, Synod would have another opportunity to consider whether the legislative process for the draft Measure should proceed to final drafting, final approval and ultimately the Parliamentary stages.
27. If the Measure is brought into force cathedrals would need to revise their constitution and statutes and register with the Charity Commission. The NCIs' Legal Office would provide guidance and a template constitution and statutes, liaise with the Charity Commission to assist in the process of registration and NCI staff would be available to help cathedrals with the registration process. The cost of staff time in preparing this and reviewing cathedrals' revised constitution and statutes is estimated at £35,000. The legal costs cathedrals would incur in revising their constitution and statutes is estimated at up to £5,000 per cathedral: the level of such costs would depend to some extent on the number of variations from the standard template.
28. The draft Measure would lead to cathedrals becoming co-regulated by the Charity Commission and the Church Commissioners, with an increased regulatory role for the latter. Taking account of the staff resources currently allocated to the Cathedral Support Group (which is intended to be time limited) and the Cathedral Sustainability Fund, the working assumption is that the Church Commissioners would be able to exercise this expanded role using existing staff resources devoted to supporting cathedrals.
 - Estimated cost of staff time to complete the Revision Stage of the draft Measure: £40,000 (and an additional £10,000 for the subsequent Synodical and Parliamentary stages)

- Estimated cost for revising cathedrals' constitution and statutes and registering with the Charity Commission: up to £5,000 per cathedral and NCI staff time of £35,000.

ITEM 509: FACULTY JURISDICTION (AMENDMENT) RULES

29. If Synod approves the Rules in GS 2137 then there will be a notable expansion of lists A and B which set out the types of works that do not require a faculty. As a result, there will be a notable reduction in the amount of work on faculty matters carried out in diocesan registries. But it is not possible to reliably estimate the extent of any savings that will arise as this will depend on the weight and complexity of casework that emerges over time. The savings will accrue to Parochial Church Councils (PCCs) or to dioceses which meet faculty fees on behalf of PCCs.

ITEM 17: TRIENNIUM FUNDING WORKING GROUP

30. Since the paper GS2140 was written, the Church Commissioners Annual General Meeting has taken place at which the spending plans for 2020-22 set out in the paper were confirmed.

CONTINGENCY BUSINESS: DISADVANTAGED COMMUNITIES

31. The study envisaged in the motion could be carried out at a range of different scales ranging from a fairly basic piece of research to the equivalent of several PhDs. The costs of a fairly basic piece of research taking 12-18 months, including a scoping study, undertaking research and testing the findings, is estimated to be at least £35,000.

- Estimated costs of a basic study exploring the issues raised in the motion: at least £35,000.

Canon John Spence
Chair, Archbishops' Council Finance Committee

July 2019