

Church Buildings Management Partnerships; a summary

The problem to be addressed

The Covid-19 crisis has exacerbated existing issues with the sustainability of many churches. As we emerge gradually from lockdown, many PCCs may be nervous about re-opening fully or indeed at all, and will be looking critically at their balance sheets.

Insurance is a major financial burden for many parishes, being one of their highest, and unavoidable, annual costs, and a source of considerable stress. **Maintenance** is another major and related concern (no maintenance regime in place can also mean higher insurance premiums), and is often low down on PCC funding priorities. Poor maintenance can lead to higher heating bills and makes the building less sustainable in terms of Net Zero goals, and can cause avoidable deterioration and repair costs which may precipitate closure.

The nature and purpose of the Partnership

The CBMP exists to support parishes with these core services by organising and by booking them on their behalf. The basic services which the PCC outsources to the CBMP are:

(1) insurance, sourced through a mass tendering exercise achieving economies of scale and appropriate cover, normally 25% and with higher excess

(2) maintenance, arranged on behalf of the PCC with a local maintenance provider for a fixed cost to a standard contract, again achieving economies of scale.

To be in the CBMP the PCCs must sign up to these two services, as they are the basis of cost-effective and sustainable buildings management. The intention is that the cost of these two basic services will be set at a level no higher than the current insurance premium for each church, and may eventually be less.

There are also **(3) support services** which can be procured at the discretion and cost of the PCC, but facilitated by the CBMP. For example, the Quinquennial Inspection Reports can also be organised by the CBMP.

All churches could benefit from this arrangement, but it may be most obviously suited to rural churches, especially those considering the Festival Church model.

The legal requirements

The main operational basis of the CBMP is a lease relationship under Section 68 of the Mission and Pastoral Measure 2011 between a CIO¹ of this name set up for this purpose by

1 A Charitable Incorporated Organisation, referred to as a CIO;

- is an incorporated form of charity which is not a limited company
- only has to register with the Charity Commission and not Companies House
- is only created once it is registered by the Charity Commission
- is a legal entity that can enter into contracts in its own right
- has trustees who will not have any liability for the debts of the CIO, in normal circumstances

the diocese or region, and individual PCCs. This leasing arrangement allows this body to gain a legal and insurable interest in the building and to source services on their behalf, which is the sole purpose of the lease. Only a small part of the building needs to be leased to effect this, for example the porch. Templates for the CBMP constitution, the lease and the maintenance contract have been created.



Schematic representation of how the CBMP works

The CIO will not supersede or usurp the PCC, nor cause it to be dissolved; quite the contrary, the intention is not to disenfranchise the PCC, congregation and wider community, but to empower them by outsourcing some of the more burdensome tasks they face, which can be more cost-effectively managed at scale.

To sum up, the advantages of the CBMP are:

- insurance costs, one of the biggest burdens on PCC's finances, are reduced
- the reduction allows for a professional and affordable maintenance regime to be put in place for the same price, avoiding or reducing costs down the line
- reduction through these measures of stress on the PCC and local community, freeing more energy and resources for mission and community outreach

The sum of these benefits, particularly if realised within the diocese's Church Buildings Strategy and the Deanery Plan where extant, will be more sustainable church buildings, serving their congregations and communities more effectively.

The administrative burden of setting up the CBMP, including negotiating and managing contracts with insurers and maintenance companies, would be shared between participating dioceses and the National Church, subject to agreement.