

NATIONAL CHURCH GOVERNANCE Key Revisions (and draft legislation clauses)

The National Church Governance Measure comes back to General Synod having been considered in detail by the Revision Committee.

The Revision Committee Report and the draft Measure are set out in:

GS 2360Y	National Church Governance Measure Report of the Revision Committee
GS 2360A	Revised Draft National Church Governance Measure
GS 2360X2	Explanatory Notes
GS 2360P	The Original Policy Document supporting the legislation

It is important to remember when reading legislation that a Measure must be read as a whole. Words have their ordinary meaning in English, unless they are specifically defined in the legislation itself. So, it is always worth checking the interpretation clause (Clause 24) for any specific definitions and reading the explanatory notes alongside the draft Measure.

One example in the Measure is worth noting here. Some clauses contain a specific power to make a subsequent provision or to amend the measure by order. The procedure on Orders is set out in detail in Clause 25 of the draft Measure and documents that any Order proposed requires the consent of the General Synod before it is made.

This brief note has been prepared by the staff of the National Governance Programme Team to assist members as they consider the Measure in detail, but members should always refer to the actual text of the draft Measure and the detailed argument in the Revision Committee report.

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National Church Institutions (Clause 1)

- The Measure sets out here the bodies which are the National Institutions of the Church of England (NCIs)
- The clause is the first place in the Measure where a provision is set out to amend list of NCIs in the future by an Order

Church of England National Services (Clauses 2 and 3)

- Establishes Church of England National Services (CENS) and sets out its charitable objects
- CENS combines the functions of the Archbishops' Council, Church of England Central Services, some of the activities of the Office of the Archbishops and most of the non-investment activities of the Church Commissioners
- Following the Charity Commissioners comments on the draft Measure, the Revision Committee, has broadened the objects of the proposed charity and simplified these clauses. The Committee has also removed any power to vary these objects by Order, accepting the view of some of those who made representations that the objects of the charity should only be amended with the full synodical and parliamentary scrutiny of a Measure

Governance and Nominations Committee (Clause 4)

- Sets out the membership and functions of CENS Governance and Nominations Committee
- The Governance and Nominations Committee recommends trustee and committee member appointments to the Board of CENS

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- The Revision Committee has made significant changes to the membership of the Committee, with three of the seven members now being members of the General Synod, two of whom will be members of the Appointments Committee of the Church of England. The Committee will now be chaired by the Deputy Chair of CENS rather than the Chair
- The quorum of the committee has now been set out in legislation

Audit and Risk Committee (Clause 4)

- Sets out the membership and functions of the CENS Audit and Risk Committee
- The Revision Committee has made significant changes to the balance of membership with three independent members rather than two and two members of CENS (one of whom should be elected) rather than three
- Chair can now be appointed from any of the members of the Audit and Risk Committee (including the elected and independent members) subject to the approval of the General Synod
- If a Chair is appointed who is not a member of CENS, they shall have the right to attend and speak at meetings of CENS
- The quorum for the committee has now been set out in legislation

Mission and Pastoral Adjudication Committee (Clauses 6 and 7)

- A new arms-length statutory committee of CENS to undertake the determinative and adjudicative functions currently overseen by the Mission, Pastoral and Church Property Committee of the Church Commissioners
- Functions and membership of the committee are set out in legislation
- It is proposed that the Chair of the Committee is a Crown appointment

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- The Revision Committee has clarified the independent determinative nature of the Committee and changed the membership so that the entire Committee, save the Chair, is appointed by the Appointments Committee of the Church of England

Payments by the Church Commissioners (Clauses 8 and 9)

- Provides for the funding arrangements between the Church Commissioners and CENS
- Establishes a new framework to ensure that the duties and responsibilities of both parties to fulfil their charitable objectives are properly supported and their impact assessed
- The Revision Committee have made substantial changes to these clauses:
 - to make clear the source of the funds
 - ensure that the funding is reviewed for an appropriate funding period (this is currently undertaken each triennium)
 - ensure the Church Commissioners receive regular reporting in the use and impact of the funds provided
 - ensure the Synod is consulted on the proposals for the funding framework
 - ensure the agreed framework is laid before Synod and that the trustee bodies set out a clear statement of how they have taken account of the views of Synod in agreeing the framework
 - ensure that the quinquennial external review of grant funding is both reported to CENS and laid before Synod

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Transfer of Functions (Clauses 10 to 15)

- Provides for the transfer of functions from the existing trustee bodies to CENS
- Provides a mechanism for the dissolution of the Archbishops' Council
- The Revision Committee have introduced a specific provision to ensure that the functions of the Archbishops' Council with respect to two areas where there had been noted historic governance failings, safeguarding and work related to Racial Justice, are transferred to CENS as soon as is practicable. This is included to ensure that there is continued trustee oversight of these areas of work. The safeguarding provisions within the draft Measure have no impact on any other decisions the General Synod may make with regard to the future oversight of safeguarding work
- Places a duty on the trustees of Church of England Central Services to pursue its dissolution
- Sets out the retained functions of the Church Commissioners and those which will transfer
- Provides that certain stipends and pensions (Bishops and some Cathedral Clergy) continue to be paid by the Commissioners

Church Commissioners (Clauses 16 and 17)

- Membership reduced and comprised of Archbishop of York, First Church Estates Commissioner, Second Church Estates Commissioner, six elected members (two from each house) and seven appointed members including a qualified legal professional
- The Archbishop of Canterbury would serve as President of the Church Commissioners but not as a trustee
- To support smooth transition to CENS of support for Bishops and Cathedral Communities, the Third Church Estates Commissioner role continues for a transitional period (sitting on both the CC and CENS Board)

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Eligibility for Membership (Clauses 18)

- Sets out eligibility criteria for membership of an NCI Board or Committee
- The Revision Committee affirmed the proposed changes to the eligibility of the Prolocutors and Chair and Vice-Chair of the House of Laity to enable their new role with respect to Scrutiny (see Clauses 20 to 22)
- The Revision Committee also helpfully clarified and limited the provisions for the disqualification of a trustee from one of the NCIs

Belonging and Inclusion (Clause 19)

- Creation of statutory duty on the NCIs to monitor and report on the composition and diversity of Boards and Committees
- Each NCI to develop and publish a diversity charter, setting out commitments in relation to belonging and inclusion
- Diversity recognised as not limited to the protected characteristics defined under the Equalities Act but that it includes wider understandings (for example geographical or church tradition) but the Revision Committee resisted the addition of a more specific proposal of adding 'diversity of thought'

Synodical Scrutiny Committee (Clause 20)

- Creation of a small permanent Synodical Scrutiny Committee that would regularly meet with NCI Chairs and CEOs to scrutinise performance and key decisions
- Synod has no power to act as a regulator. The role of the Committee is envisaged to develop Synod's existing role to ask questions and to provide a route for specific concerns to be shared and discussed in detail with the relevant NCIs

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- Revision Committee accepted the principle of the Committee but proposed a slightly expanded membership, adding a further two elected members of Synod

Committee of Inquiry (Clause 21 and 22)

- Power for Synod to call for a specific Committee of Inquiry, on a formal motion with a qualified majority, where an NCI decision is of grave concern
- The Revision Committee have considered and determined more detail on how such a Committee of Inquiry could be called bringing the provisions more closely in line with existing Synodical provisions
- Notably, whilst recognising the need for a qualified majority given the significant nature of such an Inquiry, the Revision Committee accepted the call from a number of members of Synod and has reduced the majority that would be required to create such an Inquiry down to 2/3^{rds} of the members present on a vote of the whole Synod

Accounts, Reports (Clause 23)

- Sets out the specific provisions for each of the NCIs having to lay annual reports before Synod and ensures the existing power of the Synod to ask questions is carried forward
- The Revision Committee has accepted a small but important amendment here to ensure greater flexibility in the timing of reports so that the clause can work in practice for all four proposed NCIs

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Interpretation (Clause 24)

- An important clause to ensure that various phrases and abbreviations in the report are clearly defined. The meanings given here apply to the whole Measure

Order Making Power and Transitional Arrangements (Clause 25)

- The draft legislation contains enabling provisions for transitional arrangements to be confirmed by Order, and for different parts of the legislation to come into operation at different times
- The Order making power is itself set out in detail in Clause 25

Constitution of CENS (Schedule I)

- Schedule I sets out the constitution of CENS and details the membership.
- The Revision Committee made a number of detailed amendments to the Schedule importantly concerning consultation with the Appointments Committee of the Church of England in making initial appointments and ensuring that terms of reference are published for all CENS committees.

Constitution of CENS (Schedule I)

- Schedule II sets out the arrangements for the transfer of employees

More Information, links to key documents and further supporting guidance is available on the National Church Governance Programme webpage using the QR code here

