

# **GENERAL SYNOD**

---

## **FEBRUARY GROUP OF SESSIONS 2025**

---

### **FIFTH NOTICE PAPER**

**ITEM 7: AFFIRMING THE RACIAL JUSTICE AGENDA**

**ITEM 9: FUTURE OF CHURCH SAFEGUARDING**

**ITEM 15: STRATEGY FOR WORKING CLASS  
MINISTRY**

**ITEMS 500-501: DRAFT CLERGY CONDUCT  
MEASURE**

**ITEM 505: LEGAL OFFICERS (ANNUAL FEES) ORDER  
2025**

**ITEM 17: GROWING YOUNGER AND MORE DIVERSE –  
HEARING AND RESPONDING TO THE VOICES OF  
YOUNG ADULTS (18-25)**

**PROPOSED STANDING ORDERS RELATING TO THE  
CROWN NOMINATIONS COMMISSION**

**ITEM 502: NATIONAL CHURCH GOVERNANCE  
MEASURE**

**ITEM 503: MISSION AND PASTORAL MEASURE**

**ITEM 21: REDISTRIBUTION OF FUNDS**

## **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. If estimated costs have previously been included in budgets or spending plans the financial estimate comments on any difference to the previous estimate. 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 2025 budget envelope which Synod approved at the July 2024 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 2025 levels unless otherwise stated. Costs include relevant salaries, employers' national insurance contributions, pension contributions and the apprenticeship levy.

## **ITEM 7: AFFIRMING THE RACIAL JUSTICE AGENDA**

6. Part (c) of the motion refers to funding for the next triennium. The funding request for Racial Justice work in 2026-28 made to the Triennium Funding Working Group (TFWG) totalled £20m in respect of staff and non-staff costs together with capacity for grant awards. This would include resource to undertake the necessary evaluations and report back to the General Synod as envisaged in part (e) of the motion.
7. The TFWG will consider its recommendations on which funding requests should be met in full, in part or not at all in the light of the sum that the Church Commissioners are able to make available for distribution, having had regard to actuarial advice.

## **ITEM 9: FUTURE OF CHURCH SAFEGUARDING**

8. As noted in paragraph 93 of GS 2378, the current aggregate safeguarding expenditure across the Church is in the region of £20m per annum. Indicative estimates of the additional costs as a result of work towards developing model 3 or 4 in the paper are set out below using the three categories stated in paragraph 94 of the paper.
9. It should be stressed that these are indicative, top-down cost estimates based on the costs of – for example – the Independent Safeguarding Board and understandings of current costs rather than detailed bottom-up estimates and likely to change over time. Past experience is that such estimates will be towards the lower end of a range. Further cost refinement will be developed in light of decisions by the General Synod.
  - (i) Additional on-going costs
10. An indicative estimate of the cost for independent oversight work through a new Scrutiny Body is £2.8m in 2026-28, building up across the triennium, rising to £1.7m per annum thereafter. This would include building up capacity for an end-stage complaints process and independent governance of a scrutiny body.
11. Future costs for operational safeguarding under a new model would depend on the factors such as the number and level of staff required and the nature of any contractual arrangement including whether VAT would be payable on some or all of the same combination of costs. It is assumed that such costs would continue to be funded by dioceses, cathedrals and the national Church.

12. The likely costs of a new model for operational safeguarding cannot be realistically estimated until the detailed design work under the preferred model is progressed sufficiently. In comparing potential future costs of operational safeguarding with the current costs, as noted in paragraph 95 of the paper, it is hoped that the financial cost of processes which help the Church to learn from failure as outlined above will gradually reduce as practice improves
- (ii) Additional transitional costs
13. There will be additional transitional costs arising through the establishment of a new provision (e.g. procurement and contract negotiation) and required training. There will also be one off costs in respect of the transfer of staff, including ensuring application of the relevant TUPE regulations or their equivalent. These would clearly be significantly higher under model 4 where there are 85 current employers than under model 3 where only one current employer would be involved.
- (iii) Project delivery costs
14. If the motion is passed, there will need to be a project team to take forward the detailed design and implementation work. On the basis that a full project team will be needed throughout 2026-28 with a smaller team in 2025 and 2029, with provision for external management consultancy if required, an indicative estimate for the cost of a project team in 2025-29 and transitional costs such as set-up and training is in the region of £6m.

### *Summary*

- Indicative estimate of the cost for independent oversight work through a new Scrutiny Body is £2.8m in 2026-28, rising to £1.7m per annum thereafter.
- Transitional costs arising through the establishment of a new provision.
- Project delivery costs in the region of £6m in 2025-29.

## **ITEM 15: STRATEGY FOR WORKING CLASS MINISTRY**

15. In 2024 the Archbishops' Council agreed to allocate £150,000 of People and Partnerships funding earmarked for investment in incumbent development for a two year action plan to begin to respond to the Let Justice Roll Down Like Waters report into working-class clergy wellbeing. The action plan and progress to date is set out in GS 2382B.
16. If the motion is passed the Ministry Development Board would need to consider how it would most effectively “go further in developing a national strategy for the encouragement, development and support of vocations, lay and ordained, of people from working class backgrounds.” It is estimated that such work might cost an additional sum of up to £150,000.
  - Estimated costs of further work in this area: £150,000.

## **ITEMS 500-501: DRAFT CLERGY CONDUCT MEASURE**

17. As was stated in GS 2277, if the proposals in the draft Measure come into force, it is estimated that the legal costs borne by the Church Commissioners will reduce by around £500,000 p.a. Based on the current typical number of complaints, it is estimated that the additional costs of the proposed new arrangements, which would be met by the Archbishops' Council, on top of those already provided for in the current system, will be in the region of £450,000 p.a. and that there would be one-off project implementation costs of around £200,000. The implementation would include project management, backfill for legal office staff and training of bishops, assessors and Diocesan Safeguarding Advisers.
18. It is likely the Council and Commissioners would take these changes into account in the development of future spending plans. to enable these proposed changes to be cost neutral for the Council. Depending on the timing of implementation this might require a spending plans virement from anticipated savings in the Commissioners' administrative costs to increase the grant towards the Council's operating costs.

19. It should be noted that the proposed new arrangements might increase the need for bishops to seek ad hoc requests from their registrar on specific matters. Depending on the extent of this, in time this could lead to an above inflation increase in some or all diocesan registrars' costs funded by the Church Commissioners which would reduce the saving mentioned in the preceding paragraph.
- Estimated implementation cost of the current proposals if brought into force: c. £200,000.
  - If the proposals are brought into force, estimated increase in the Archbishops' Council's budget: £450,000 p.a., estimated saving in the Church Commissioners' budget: c £500,000, reduced by any above inflation increase in some or all diocesan registrars' costs.

### **ITEM 505: LEGAL OFFICERS (ANNUAL FEES) ORDER 2025**

20. As can be seen from the figures in paragraph 22 of GS 2384X the Legal Officers (Annual Fees) Order 2025 (GS 2384) is approved, retainers for Registrars in 2025 would be 10% more than the 2024 level. This would result in additional costs of £458,000: £267,000 of this increase would be borne by Diocesan Boards of Finance (DBFs)<sup>1</sup> with the remaining £191,000 of the increase being borne by the Church Commissioners.
21. Increasing the informal retainer for Chancellors by the same percentage as Registrars' retainers would lead to additional costs of £64,000 across the dioceses.
- 2025 Increase in Registrars' annual retainers: £458,000 (£267,000 to be funded by DBFs and £191,000 by the Church Commissioners).
  - 2025 Increase in Chancellors' annual informal retainers funded by dioceses: £64,000.

### **ITEM 17: GROWING YOUNGER AND MORE DIVERSE – HEARING AND RESPONDING TO THE VOICES OF YOUNG ADULTS (18-25)**

22. The cost of a group of up to 200 young adults to provide a 'voice' to General Synod as envisaged in part (b) of the motion would depend on the pattern of meeting. If this included mainly online meetings with an annual regional or national one day gathering, the annual costs are estimated at up to £30,000.

---

<sup>1</sup> The position for each DBF can be seen by comparing the relevant figure on page 3 of GS2384 with the equivalent figure in page 3 of GS 2367.

23. The estimated annual costs for between three and five young adults to attend each Group of Sessions under Standing Order 122.1 as envisaged in part (c) of the motion are between £4,000 and £6,500.
24. The estimated cost of staff time to support this work is £50,000 per annum. A request for funding this work has been included within the People and Partnerships triennium funding request for a range of young voices/young leaders/young Christian discipleship activity through the Growing Faith/younger work.
25. The TFWG will consider its recommendations on which funding requests should be met in full, in part or not at all in the light of the sum that the Church Commissioners are able to make available for distribution, having had regard to actuarial advice.
  - Illustrative costs of an annual one day gathering of 200 young adults to provide a 'voice' to General Synod: £30,000 per annum.
  - Estimated annual costs for between three and five young adults to attend each Group of Sessions of the General Synod: between £4,000 and £6,500 per annum.
  - Estimated cost of staff time to support the work envisaged in the motion: £50,000 per annum.

## **PROPOSED STANDING ORDERS RELATING TO THE CROWN NOMINATIONS COMMISSION**

26. The proposed amendment to Standing Order 137(4) which would provide for an interpreter to be invited to attend a meeting of the Crown Nominations Commission as set out in paragraph 4(3) of GS 2387 would result in additional costs whenever an interpreter attends a meeting to provide the needed assistance. The cost would depend on the number of individuals requiring such assistance and the number of days for which their services were required. The average cost per day per interpreter is estimated at between £500 and £700.
  - Estimated cost for each interpreter required: between £500 and £700 per day.

## **ITEM 502: NATIONAL CHURCH GOVERNANCE MEASURE**

27. The current estimate of the design and transition costs for the first two of the three phases for delivery of the National Church Governance Programme in 2023-25, including costs already incurred, is £1.9m.
28. The potential costs to implement and launch CENS as a new legal entity and to conclude the transitions outlined, are currently estimated to be £5.0m. A funding request for this work has been submitted to the TFWG. As noted previously, the TFWG will consider its recommendations on which funding requests should be met in full, in part or not at all in the light of the sum that the Church Commissioners are able to make available for distribution, having had regard to actuarial advice.
29. The future operating costs of the NCIs are expected to be broadly in line with current operating costs. This will become clearer once detailed work on organisational design has been carried out.
  - Estimated costs to implement and launch CENS: £5m.

## **ITEM 503: MISSION AND PASTORAL MEASURE**

30. If the Measure proceeds, the cost of staff time in the Legal Office to complete the Revision Stage is estimated at £80,000 and a further £35,000 to complete all the subsequent Synodical and Parliamentary stages.
31. The cost of the planned three year project to prepare for and implement the draft Measure, including working with dioceses on new processes and opportunities, is estimated to be in the region of £750,000. This work will include regional workshops and guidance materials to map out the change programme, other communications, provision for strategic consultancy advice as well as the necessary additional fixed-term staff resource.
32. The cost of staff time for existing staff to support the project work over the expected three years of the project is in the region of £350,000.



33. The cost of a new on-line data system to support the work that would be carried out under a new Mission and Pastoral Measure is estimated at £2.0m. This has been included in the technology funding request to be submitted to the TFWG. As noted previously, the TFWG will consider its recommendations on which funding requests should be met in full, in part or not at all in the light of the sum that the Church Commissioners are able to make available for distribution, having had regard to actuarial advice. Once implemented, there will be annual maintenance and support costs for the new on-line data system. But it is too early to provide a realistic estimate of such costs.
34. The context for the review of the Mission and Pastoral Measure is legal simplification and service improvement. The new draft Measure has a greater emphasis on a pastoral approach to change processes and gives greater agency to the parishes by enabling them to make their own requests for change, and to accomplish that change more quickly and easily where there is a strong local consensus. It also provides new measures to help fragile church communities re-stabilise themselves in the event that there are issues with a lack of PCC officers, or volunteers. For example, PCCs would be able to transfer their maintenance responsibility to an approved third party for up to 5 years under Bishop's Directions so they can have space and time to re-group, and avoid premature church building closure.
35. There are other measures on buildings, including provision for diocesan charitable church trusts which could be used to preserve highly listed buildings for the long term, or take pressure of the DBFs by providing a home for buildings which have been closed but where a new use has not yet been identified. This means they would not be kept on the DBF's balance sheet. The new Measure would broaden the purposes of Diocesan Pastoral Accounts (DPAs) to enable DPA monies to support these new measures.
- Estimated cost of staff time in the Legal Office to complete all stages of the Measure: £115,000.
  - Estimated cost of the three year project on the Mission and Pastoral Measure: project costs of £750,000 and £350,000 in staff time.
  - Estimated cost of a new on-line data system to support the work that would be carried out under a new Mission and Pastoral Measure: £2.0m with maintenance and support costs following implementation.

## **ITEM 21: REDISTRIBUTION OF FUNDS**

36. The spending plans for 2023-25 agreed after the triennial actuarial review of the Church's endowment managed by the Church Commissioners on behalf of the Church included strategic on-going distributions of £73m in 2023 and £226m over the 2023-25 triennium. The Commissioners' actuaries estimated that assets of £2.6billion were required to support these distributions.
37. Therefore, based on the assumptions and calculations used at the time (which are in the process of being reviewed and updated for the end 2024 triennial actuarial review) it is reasonable to assume that if assets of £2.6 billion currently managed by the Church Commissioners were transferred to other charities, no such distributions would be affordable in future. Based on the assumptions used in the end 2021 triennial actuarial review, it is estimated that strategic on-going distributions would have escalated from £73m in 2023 to £80m in 2026 and £246m in aggregate over the 2026-28 triennium, increasing by 3.0% p.a. in future years.
38. If the motion is passed, staff from the Church Commissioners and Archbishops' Council and NCI shared service departments (Finance and Legal) would need to prepare advice on options for the trustee Boards and relevant sub-committees to consider. This would need to include engagement with the Charity Commission and potentially other regulatory authorities (e.g. to consider the possibility and practicality of an option if the Commissioners were to manage assets on behalf of other charities). This work has not been scoped so it is not feasible to provide an estimate of the indicative costs, but it is likely to be considerable and take a prolonged period of time given the size of the fund to which it relates. Preparation of options would include providing illustrative costs of any required legislation.
39. If the £2.6billion were to remain with the Commissioners to be managed on behalf of dioceses, there would be significant regulatory implications to enable the Commissioners to manage client funds, if the Commissioners decided it wanted to do so. In addition, the Commissioners' Investment and Liquidity strategies would need to be adjusted. It would be likely that overall investment returns (and thus distributions) would be lower, although it is not possible to estimate how much lower without considerable work.

- Estimated reduction in annual distributions from the Church's endowment currently managed by the Church Commissioners if £2.6 billion was transferred to other charities: £80m per annum in 2026 money terms, increasing by 3.0% p.a. thereafter.

**Carl Hughes**

Chair, Archbishops' Council Finance Committee

February 2025