

URC (WESSEX) TRUST LIMITED REPORT

October 2024

This report updates Synod since the last report and includes a summary of the decisions made at meetings of the Wessex Trust held in person on 25 April, 27 June and 26 September 2024.

1. Trustees

John Sinclair resigned from the Board of Trustees on 19 April 2024.

There continue to be vacancies for Trustees. As reported to numerous previous Synod meetings we would like to strengthen the Trust board with HR experience, but in general Trustees are not expected to have specialised knowledge: common sense, patience and a willingness to help local congregations are the key attributes.

Trustees are asked to attend typically five meetings a year. We are currently meeting three times a year in person in Southampton and twice a year on Zoom.

Please have a chat with the Convener or Deputy Convener if you would like to find out more about being a Trustee and the importance of this role in the life of our Synod.

2. Grants, loans and permissions

The Trust has made the following grants, loans and other commitments, and given permissions in the following matters. Unless otherwise stated, grants are made from the Church Mission Fund, and loans are made from the Trust's General Fund and are repayable over five years with interest at 3% per year. 'Net Zero' scheme grants are also made from the Trust's General Fund. (All grant figures given below are maxima, not necessarily the amount actually paid out.)

Church / Ecumenical partner	Decision
April 2024	
University of Southampton Free Church Chaplaincy	£6,000 from the General Fund for the academic year 2024/2025
Gosport: St Columba's	£30,000 over three years for continued employment of a Children and Families worker
Woking	20% of cost up to maximum of £26,000 for repairs to a faulty roof
URC Trust	£654.35 from the General Fund in reimbursement of a minister's fixed car allowance, authorised by Synod Executive
Former Summertown URC	£15,000 over 18 months from the General Fund for lettings management and caretaking, pending disposal
Blandford	£2,000 from the General Fund under the 'Energy Crisis' scheme
June 2024	
Churches Together in Oxfordshire	£960 from the General Fund for 2024
Churches Together in Dorset	£1,500 from the General Fund for 2024

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Churches Together in Surrey	£140 from the General Fund for 2024
University of Reading Chaplaincy	£250 from the General Fund for 2024
Oxford: Wheatley	£3,720 for expenses for a 'Time for God' volunteer, for one year
Reading: Park	£46,160 over three years for a Youth and Family worker
Fordingbridge Old Manse	£50,000 additional funding for essential repairs to the roof; this building is awaiting disposal
September 2024	
Church Regeneration worker	The remaining budget was released and an additional grant of £31,000 from the Special Reserve Fund was made to enable this Synod-funded post to be extended for two years
Broadstone	50% of cost up to a maximum of £47,650 from the 'Net Zero' funding pool, for insulation and heat pump installation
Broadstone	25% of cost up to a maximum of £19,715 for works to improve accessibility and amenity
Southampton: Avenue St Andrew's	£5,360 towards the cost of a one-year extension
Gosport: St Columba	£22,000 towards the cost of essential and urgent maintenance to limit further degradation of the premises
Warsash	£22,000 towards the cost of significant upgrades to the premises
Guildford: Westborough	£10,000 towards the cost of upgrading the dilapidated kitchen facilities
Thatcham	100% of the cost of installing a hearing loop system for the first time, quoted as £1,568.32, subject to LBAC approval
Poole Mission House	Formal approval by Trustees of a budget of £170,000 from the Special Reserve Fund for the initial costs and running cost contributions over three years, as requested by the Synod meeting in April 2024

3. Other property matters

- **Listed Buildings Advisory Committee (LBAC):** The LBAC is working on its plans to publish a process flowchart and a handbook for churches which have listed buildings or are in conservation areas. This will provide a useful reminder of churches' responsibilities and hopefully clarify any ambiguities about the processes that churches need to follow.
- **Manses:** The new manse at 4 Covent Close, Abingdon is now occupied by a minister of the Baptist Church who moved in on 31 March 2024. Following the relocation or retirement of

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ministers, one manse at 23 Hillary Road, Farnham is being prepared for occupation by a minister of the Methodist Church, one manse at 3 Lonsdale Road, Bournemouth is being prepared for let and three manses at 7 Hawkswell Gardens, Oxford, 8 College Road, Maidenhead and 73 Granville Way, Chatsworth Park, Sherborne are being marketed for sale. One manse at 31 Paddock Gardens, Lymington has been re-let and three manses at 1 Colemore Road, Bournemouth, 10 Marvin Way, Bitterne, Southampton and 20 Ridgeway Road, Salisbury are being prepared for re-let.

- **Registration of church buildings:** The General Register Office has registered Farnham: The Spire Church for the solemnisation of same-sex marriages.

- **Property disposals:**

Havant and Emsworth: The church has decided to close its Waterside, Emsworth building on 31 December 2024. Arrangements will be made for its disposal in due course.

Fordingbridge: The signed Church Meeting resolutions are still awaited, but the church has decided to close at the end of the year and its final service will be held early in the New Year. Arrangements will be made for its disposal in due course.

Longham: The former church was sold on 14 May 2024 for £575,000.

4. Finance

- **Annual Report and Accounts for 2023:** Following a smooth audit, the 2023 Annual Report and Accounts were approved by Trustees at the Board meeting in June; a PDF copy is available for download from the Companies House website [here](#). Please let the Convener know if you would like to receive a paper copy.
- **Church Mission and Special Reserve Funds:** At the June and September meetings, the unused portions of a number of grants were written back (refunded) to the Church Mission Fund, Special Reserve Fund and General Fund, totalling £17,828. As at 30 September 2024 the available balances in these funds is:

Church Mission Fund: nil

Special Reserve Fund: £90,774

- **United Reformed Church Ministers' Pension Fund (URCMPF) deficit funding:** Under the schedule of contributions to the URCMPF deficit recovery programme (endorsed by Synod in Resolution 5 at the meeting on 12 March 2022), the Trust is due to make the next payment of £1,200,000 this year. This will bring the Synod's payments to this programme to a total of £3,600,000. We anticipate that a revised schedule of contributions will be agreed between the Ministers' Pension Trust and the URC's Synods before the end of the year, which is likely to reduce or eliminate the need for further payments from Wessex.

The Trustees agreed to allow the URCMPF to use the contributions already made by Wessex to move the MPF to 'buy out', if they are needed.

5. Other matters

- **Grants, loans and permissions application process:** The Trust still intends to produce a new grants booklet for churches, which will update and bring into one resource document the previous editions of a number of booklets. This is on hold pending the Synod's decision on the proposed new grants policy.

- **Charitable status of churches:** I would yet again remind churches that are not registered in their own right as charities, that they do not have a charity number. **You cannot use the Trust’s charity number if you are asked to provide one.** The URC has provided a letter from the Charity Commission which churches can offer to organisations requesting a charity number, available here:

<https://www.urcwessex.org.uk/wp-content/uploads/2023/09/Letter-from-Charity-Commission-for-Excepted-URC-charities-in-England-and-Wales.pdf>

Alternatively, if your church is registered for Gift Aid, some organisations will accept an HMRC registration number instead of a charity number.

- **CHURCH ACCOUNTS**

We are still missing up-to-date accounts from a significant number of the Synod’s churches, so when your church’s accounts have been inspected, please do remember that you should send a copy to the Trust or Synod offices, preferably by email, **each year**. Charity regulations require the annual production of accounts, and you will have to provide them in support of any application to the Trust if they have not already been supplied.

6. RESOLUTIONS

Inter-Synod Resource Sharing

This is the annual request for Wessex to contribute to the funds made available from wealthier Synods to those under financial pressure. The offer for 2025 is unchanged from this year.

RESOLUTION T1:

The Wessex Synod approves an offer of £135,000 to the Inter-Synod Resource Sharing pool for 2025.

Ministry and Mission Fund—Contribution from Synod Funds

This is in response to a request from the URC’s Finance Committee and Assembly Executive for Synods to maintain at the 2023 level their contribution from Synod funds (i.e. in addition to the contributions made by churches in the Synod) to the Ministry and Mission Fund (M&M) for seven years. In 2023 the Wessex Synod paid £210,000 to M&M from Synod funds, which was made up of £110,000 to cover the cost of three Synod-directed ministers, and £100,000 as a one-off donation. The ministerial stipend increase in 2023 and 2024 has correspondingly increased Wessex’s payment for Synod-directed ministers, with the result that the level of requested donation in 2024 will be under £75,000.

The Trustees feel that we cannot give a seven-year commitment; instead we are offering a three-year commitment with a review in the third year. Under the resolution below, the extra cost to the Synod is capped at £75,000 in each year.

RESOLUTION T2:

The Wessex Synod approves the request to make donations to the central Ministry and Mission Fund of up to £75,000 from Synod funds for each of the years 2024, 2025 and 2026, to maintain the overall payment from Synod funds at the 2023 level.

New grants policy

PLEASE SEE THE PAPER AT ANNEX A BELOW.

RESOLUTION T3:

The Wessex Synod adopts the grants policy set out on pages 7 to 11 of the paper “Wessex Trust Finance and Grants Paper for Synod—October 2024”, attached at Annex A to the Trust Report to the October 2024.

Proposal for a new church building

Trustees seek the mind of Synod in relation to the possibility of building a new church at Gosport: St Columba’s. Gosport: Bury Road merged with St Columba’s a few years ago, and the congregation was promised a substantial grant from the proceeds of the sale of the redundant Bury Road site. This sale has yet to be achieved.

St Columba’s buildings have outlived their design life by decades and are now no longer fit for purpose.

The Trustees would like to explore the feasibility of building a new eco-church on the site, including the disposal of part of the site to offset the cost.

This initial resolution is to seek Synod’s view on whether we should spend time – and some money – developing plans and costs for a new church building. The overall cost of such a building is likely to exceed £3 million, but against this we can set the proceeds from selling the Bury Road site and part of the St Columba’s site, so the cost to the Synod, although significant, will be much lower than the headline figure.

RESOLUTION T4:

The Wessex Synod wishes to explore the possibility of a new-build eco-church on the Gosport: St Columba's (9C05) site and authorizes a budget of £10,000 to develop a feasibility study, plans and more detailed costings. The Wessex Synod notes that this is an 'in principle' decision at this stage and does not constitute a commitment to building the new church.

Romilly Micklem, Convener
trustconvener@urcwessex.org.uk

ANNEX A

UNITED REFORMED CHURCH (WESSEX) TRUST LTD

FINANCE AND GRANTS PAPER FOR SYNOD—OCTOBER 2024

Purpose

This paper gives a high-level view of the Wessex Synod's financial situation and the significant challenges that lie ahead.

It offers some analysis and makes a proposal for shaping the Synod's grants policy for the years 2025 to 2030, to be reviewed prior to the meeting of Synod in October 2030.

Structure

The first two parts of the paper are a series of questions and answers, with the aim of being accessible to a non-specialist readership.

The third section of the paper sets out a proposal for changing the grant awards policy of the Synod, as a response to the situation and challenges presented in the first two sections.

Key Assumption: URC Ministers' Pension Fund Deficit

This paper assumes that after the current year's payment of £1.2 million, Wessex will not need to make any further contributions to the URC Ministers' Pension Fund (MPF) deficit recovery schedule. This is a reasonable but important assumption. The expectation is that before the scheduled contribution for 2025 falls due, the Ministers' Pension Trust (MPT) will advise the URC that the scheme has achieved 'buy in' and is moving towards 'buy out', and that all Synods are released from their remaining obligations under the schedule of contributions.

The proposal in this paper for changing the policy for grant awards does not depend on the validity of this assumption. If further scheduled contributions under the MPF deficit recovery scheme are required (i.e. in 2025 and subsequent years), this will obviously have a very significant impact on the availability of funds for all types of discretionary spending, including grants to churches—but the proposed new policy will give the Trustees the flexibility to respond appropriately to changing circumstances and contingencies.

1) “Wessex Wealth”: Facts and Figures

How much money does Wessex actually have?

At the end of 2023, adding up all the assets held by the Trust came to £45,427,563 (£45.4 million).

But that includes some funds which are held by the Trust outside the Synod’s general reserves. Of the £45.4 million:

£14 million is the value of manses in use

£1.8 million is the value of restricted, endowment and welfare funds

£6.4 million is the value of grant commitments due after 2024

That leaves £23.2 million as the total general reserves of the Synod, after all its outstanding commitments. Note that until commitments fall due, the funds held to meet those commitments can be used to generate income for the Synod.

Is Wessex getting wealthier?

It is true that over the years, the Synod’s funds and its general reserves have grown. But comparing headline figures from year to year does not tell the whole story. Over the last five years, the Synod’s investments have only just kept pace with inflation, measured by the Consumer Price Index (CPI).

So how much financial muscle does Wessex have?

The general reserves are significant, but they are not necessarily the best measure of the Synod’s financial muscle. It is at least as helpful to look at the Synod’s income and expenditure, to which we will turn next.

What do the Synod’s general reserves need to do?

The Synod’s general reserves are not simply available to spend, because they generate the income which the Synod and the Wessex Trust need to operate. In fact, the income from those funds is not always enough to pay for all of the staff, office and operating costs for the Synod and Trust (around £1.75 million in 2023), so in four of the last five years some of the money from property disposals has been needed to balance the operating budget. That is before taking into account spending on grant awards and purchases of manses (in recent years we have bought two new manses and one replacement manse).

£1.75 million is a great deal of money: what does the Synod spend it all on?

The £1.75 million operating cost of the Synod and Trust in 2023 breaks down as follows, in broad brushstrokes:

£113,000	Office accommodation and infrastructure
£67,000	* Maintenance of manses during ministerial vacancies
£441,000	* Maintenance and fees for redundant churches and tenanted properties
£137,000	* Fees for property disposals
£75,000	^H Property Insurance
£912,000	^H Staff costs (not all full-time roles): the Synod and Trust office staff, including advisors Property Officers Children and Youth Development Officers Development and Support Officers / Synod-directed ministries Synod Clerk Safeguarding Officer Employment Advisor

* varies from year to year; overall the 2023 figures here are broadly representative

^H generally increases year on year

Doesn't the Synod get a significant amount of money from property disposals?

It is true that with a reducing number of churches and a reducing need for manses for ministers and CRCWs, we have a reasonably steady flow of redundant properties—but this does not translate into a steady stream of money from property sales. In 2023, we did not complete the sale of any of the buildings (churches and manses) that we had on the market. This was not for want of trying.

As a rule of thumb, it is – not surprisingly – easier to sell a manse than a church, except where a manse is on a church site. Sometimes it is possible to sell a church building to another Christian fellowship within a few months of the URC congregation closing. In other cases, it can take well over five years to achieve a sale, because of factors such as: local authority planning permission and change of use consents (significantly more complicated if a building is listed); restrictive covenants; location; and access / wayleaves.

We incur property costs to insure and secure vacant buildings prior to and during the sales process. Empty churches can cost the Synod significant sums. By contrast, a redundant manse can earn rental income for the Synod pending disposal.

In summary:

- Property sales are time-consuming and do not provide a smooth and regular flow of money for the Synod.
- For the last several years we have been in a position where we rely on property sales to pay for a part of the Synod's and Trust's operating costs and for all of the grant awards and loans made by the Trust on behalf of the Synod, including the Synod's contribution to Inter-Synod Resource Sharing (ISRS).
- Our ability to maintain current levels of funding for the work of the Synod and Trust and for the support of local churches depends upon the proceeds of property sales, and these in turn depend upon the URC in Wessex continuing to decline in terms of numbers of congregations and ministers / CRCWs.

What about listed buildings? How much do they cost the Synod?

The URC Acts 1972 and 1981 make it clear that except insofar as the Trustees are explicitly put in funds for the purpose of maintaining a specific building or buildings, the Wessex Trust is not responsible for paying for the upkeep of any URC-owned church buildings, whether listed or not, which are occupied by a URC congregation or an LEP in which the URC is a partner.

The consequence of this is that it is up to the Synod to decide, through the policies that it sets, how much listed buildings cost it.

To expand on that: the Synod has agreed to pay for quinquennial inspections for listed buildings owned by the Trust, and the Trust also pays for further investigations recommended in quinquennial inspection reports. In some years, this may not amount to a significant cost—but on occasion these policies can result in bills running into five figures.

It is also the case that works to listed buildings can be more expensive than works to non-listed ones. Therefore, where a congregation applies for a grant towards maintenance works on a listed building, a grant award of 20% of the project cost is often (but not always) more expensive than a grant of 20% towards equivalent works on a non-listed building.

2) Wessex Spending: Challenges

Where do we stand now?

In the closing three months of 2024 we have some significant spending commitments.

As well as our regular monthly and quarterly operating costs, and payments against existing grant awards (including £33,750 to ISRS and three grants totalling over £200,000 to Woking URC for a 'Net Zero' project and roof repairs), we are committed to some major expenditures, including:

- a scheduled payment of £1.2 million to the URC Ministers' Pension Fund deficit recovery scheme;
- spending c.£150,000 on essential works to the Fordingbridge Old Manse, a listed building which has been formally declared redundant to the needs of the local congregation and returned to the stewardship of the Trust for disposal in due course; and
- potentially a payment of c.£75,000 in October or November, assuming that the Synod agrees to the URC's national Finance Committee's request for Wessex to maintain its 2023 level of Synod contribution to the national Ministry and Mission fund (M&M).

These three items come to a total of just under £1.45 million. This is almost exactly the same as our entire cash reserve as at the end of September 2024.

We receive income month by month from property rentals, and quarterly in arrears from our investment portfolio, which we would broadly speaking expect to cover our operating costs—but which may not be enough to cover grants in payment and our quarterly contribution to ISRS.

We expect to conclude three church property sales by the end of 2024, which we anticipate will realise a total of c.£745,000. We have a good level of confidence about these, but in every property sale, there is always a degree of risk that the buyer will pull out.

In summary:

- Although we have significant cash resources, we also have significant cash flow requirements in the next few months.
- We have a pipeline of property sales, but until contracts are signed, no property sale is certain.
- Given the underlying budget deficit for our core operating costs, and the uncertainties around the timing of property disposals, it would be prudent to aim to maintain a significantly higher cash balance than we have in the past.

What about the recent Board meeting?

At their Board meeting in September, Wessex Trustees considered a number of new grant applications and request for funds:

- The URC's Finance Committee is seeking a commitment from Synods to maintain the current level of Synod contribution to M&M (see above) for the next seven years. Trustees are bringing a resolution to the Synod, recommending maintaining this level for 2024, 2025 and 2026, at a cost to

the Synod not exceeding £150,000 over the three years. This matter will need to be considered again by both Trust and Synod in 2026/2027.

- Several churches presented grant applications, including some for ‘Net Zero’ funding (normally awarded at up to 50% of the project cost). Not all of the grant applications were successful, and not all successful applications received the requested level of grant.
 - Including the Poole Mission House project and the extension of the Synod-funded Church Regeneration worker post, the grants awarded came to a total of £272,214 from the Special Reserve Fund, £80,643 from the Church Mission Fund and £47,650 from the ‘Net Zero’ General Fund allocation—a total of £400,507.
 - **In awarding these grants, Trustees have honoured the grant policies previously agreed by the Synod, but the Trustees do not believe that these policies are appropriate to the Synod’s current financial situation.**
- The URC’s General Assembly resolved at its meeting in July 2024 to create a Legacies of Slavery Fund of £250,000, and requested Synods to make contributions to this fund, with the aim of reaching a target of £1 million. Trustees remaindered this business until November 2024 and will make a recommendation to one of meetings of the Wessex Synod in Spring 2025 as to what an appropriate Wessex contribution might be.

And what about the Church Life Review?

The Steering Group for Phase 2 of the Church Life Review is tasked with making proposals for creating new funding pools drawn from the financial reserves of the Synods.

This work has only just begun; it will take shape over the next 6 to 8 months. All we can say for certain about it at present is that Wessex will be asked to make a contribution to those funding pools in proportion to the Synod’s free reserves. Our best estimate as things stand is that it would be realistic to expect this request to be for an initial seven-figure sum, followed by large (at least six-figure) contributions annually thereafter.

Any commitment of this sort would need to be agreed by the Wessex Synod meeting, on the recommendation of the Wessex Trustees.

So what can we afford?

That is the key question. The short answer is that we don’t really know.

The Synod sets the policy framework under which the Trust awards grants and makes contributions to central URC funds. This framework has not been reviewed in its totality for many years; instead, it has been incrementally extended and adapted.

Looking at our current funds for grant awards, following the September Trust Board meeting, we have available balances of:

£90,744	in the Special Reserve Fund (SRF), excluding the 'MDG' ¹ allocation
£0	in the 'MDG' allocation of the SRF
£0	in the Church Mission Fund (CMF), having 'borrowed' £50,000 from the SRF
£76,907	in the 'Net Zero' allocation from the General Fund (GF)
<hr/>	
£167,651	TOTAL

—but it needs to be clearly understood that these 'funds' are notional: they are not held as cash, and they are not immediately available to spend. They are simply a way of looking at part of the overall pool of assets held by the Trust, and they derive from what, at a given point in the past, the Trustees felt was an appropriate sum to make available for grant awards—or, in the case of the 'MDG' allocation, a subdivision of the SRF made at the request of the Synod meeting.

From a certain point of view, we could say that the decisions made – prudentially and in good faith – by Trustees in the past have now been overtaken by events. In the current difficult financial circumstances, it is appropriate to question whether significant grant funding balances (historically often amounting to well in excess of £500,000) should be held over from year to year.

What can we do differently?

Section 3 of this paper offers a proposal for a radical shift in grant-awarding policy for grants to local churches in the Synod. This has been agreed by the Board of the Wessex Trust and is now brought for approval to the Wessex Synod meeting.

What about reducing operating costs?

It is difficult to see how we can reduce operating costs with current staffing levels.

The Trust cannot operate without its core office team and a field team for property. Our auditors have expressed the view that for a charity of its size the Wessex Trust is understaffed.

It is for the Synod Executive, acting on behalf of the Synod, to determine whether any savings could be made in Synod staffing.

¹ MDG: Mission Development Group, which comes under the Mission and Outreach Committee

3) PROPOSED NEW GRANTS POLICY

Scope

This policy covers applications for grants. It does not cover applications for permission for works to buildings without any request for a grant from the Trust. Applications for permission only may be made to the Trust Board as at present but will not normally be considered at the June and November meetings.²

Introduction of the New Policy

The Trustees propose that there will be a year of transition in 2025, to accommodate grant applications that are currently in hand and close to being ready for submission.

In 2025, there will be some flexibility in terms of how the overall funding pool is allocated and at which Trust Board meeting each category of grant application is considered (see Policy below). The Trustees have to be guided by their professional team's assessment of what funds will be available but will err on the side of generosity in setting the overall funding pool for 2025.

From 1st January 2026, the policy will be fully in effect.

Local Ecumenical Partnerships

Trustees will normally pro rata any grant award to a Local Ecumenical Partnership (LEP) according to the number of participating denominations in the LEP. A grant award to an LEP involving one other denomination will be at 50% of the level awarded to a purely URC church. Where two other denominations are involved, the grant will be at 33.33% of the 'purely URC' level; at 25% for three other denominations, and so on. For example, a grant of 20% of the project cost for a purely URC church would be reduced to 10% of the project cost for a two-denomination LEP.

In reaching their decision on the level of a grant award for an LEP, Trustees will also consider the contribution being made by partner denominations towards project costs, the percentage shares in a building (where applicable) and other similar factors.

² In June, the Trustees' focus is on the Trust's Audit Report, the Annual General Meeting and approval of the Annual Report and Accounts. In November, the Trustees are focused on the reports from the Trust's investment managers and a review of the year nearing its end.

Operation

Churches will need to co-operate closely with their Synod Resource team: Development & Support Officer; Children and Youth Development Officer; and Property Officer. The Resource team will provide advice and guidance to ensure that applications for grants are directed to the appropriate meeting of the Trust Board.

The Trustees very strongly urge churches to plan as far in advance as possible, and to involve the Resource team as fully and as early as possible in all their deliberations for Buildings and Personnel projects, in order to avoid misunderstanding and disappointment.

Grants for Church Maintenance

Under the provisions of the United Reformed Church Acts 1972 and 1981, the responsibility for maintenance of church premises lies with the URC congregation that is occupying (using) those premises. This is true for both listed and unlisted buildings.

The Synod Trust company is not liable for maintenance costs for any church building in use by a URC congregation except in so far as the Trustees are put in funds specifically for that purpose.

The Wessex Synod policy has been and remains that churches must maintain their own buildings. The Synod Trust will only consider offering grants for maintenance works where:

- the works are 'like for like' replacement;
- the church has a strong missional focus; and
- the church genuinely needs financial support.

The Wessex Trustees wish to stress that there must be no expectation of entitlement to grants for maintenance works.

Note that, as at present, major redevelopment projects are treated separately under the proposed policy.

Policy

At the November 2024 Trust Board meeting, the available balances in the Special Reserve Fund and the 'Net Zero' allocation will be set to zero, with the SRF balance being transferred to the General Fund.³ It is noted that the Mission Development Group allocation has now been fully committed.

At the November Board meeting in 2024 and at each subsequent November Board meeting, the Trustees will make a decision on the size of the funding pool in the Church Mission Fund (CMF) for the following calendar year, based on funds in hand and anticipated income from all sources. Funding pools will not be carried over from one year to the next, such that at the end of each calendar year the remaining available

³ The 'Net Zero' allocation is already part of the General Fund.

balance in the CMF will be set to zero (by transfer to the General Fund), and at the beginning of each calendar year a transfer will be made into it from the General Fund for the amount agreed for that year by the Trustees at the previous year's November Board meeting.

The funding pool in the CMF will be divided at the Trustees' discretion into specific amounts for:

- Personnel grants
- 'Net Zero' projects
- Support for non-listed Church Buildings
- Support for Listed Buildings

Each category of grant application will be considered separately, and each category of grant application will normally be considered at only one Board meeting each year, in order to allow a fair assessment of the merits of each application and to avoid the allocation of funds on a 'first come, first served' basis.

February: Personnel grants

April: Support for Listed Buildings and non-listed Church Buildings

September: 'Net Zero' projects

Personnel grants will be for three years, at a maximum of 50% of the three-year cost (as now). **They will not normally be eligible for extension.** Churches may normally only have one personnel grant at a time, and a church which has had a personnel grant within the previous five years will not normally be eligible for a new grant. Trustees will retain the discretion to vary these guidelines if funds are available.

The special category of grant for extending lay worker posts, approved by Synod in March 2019 (Resolution 2, Minute 19S06), is not affected by this policy. Trustees note that awards under this special category of grant are contingent upon funds being available.

'Net Zero' project grants will be for a maximum of 50% of the project cost (as now), but churches will only be eligible to be awarded such a grant once in any five-year period.

Listed Buildings and non-listed Church Buildings grants will be for a maximum of 20% of the project cost. Churches will only be able to apply for such grants once in any five-year period.

There could be some flexibility for further Buildings grant applications to be considered in September each year, if funds remain available following the April meeting, but without carrying the funding pool over the year end. Personnel grant applications will **only** be considered at the February meeting.

As now, emergency loans for maintenance works will need to be carefully assessed for affordability. **An emergency loan will not be automatically converted into a grant. A full grant application requesting conversion of the loan will need to be made to the next Trust meeting at which Buildings grants are on the agenda; this will be considered alongside other Buildings applications (i.e. not given special priority).** This is in order to avoid churches jumping the funding queue by seeking emergency loans.

Emergency loans will normally be interest- and repayment-free until the next Trust meeting at which applications for Buildings works are considered.

Audio-Visual Grants

No change is proposed, except that AV grants will be paid from the Synod's General Fund. AV grants will continue to be for up to 50% of the project cost, up to a maximum award of £5,000. Churches may apply for an AV grant once in any five-year period. Churches installing a hearing loop system for the first time may apply for a 100% grant for this purpose, up to a maximum award of £5,000.

AV grant applications will be considered at the February, April and September Trust Board meetings.

Major Building Projects

Major building projects will be considered on a case-by-case basis by the Trustees. If the Trustees decide that the project is viable and affordable, their recommendation will be presented to the Synod meeting for approval. The level of grants for major building projects will be decided in each case, and grant awards will be paid from the Synod's General Fund.

Applications for major building projects will be considered at the February and September Trust Board meetings, so that the Trustees' recommendations can be brought promptly to Wessex Synod meetings in the Spring and Autumn.

=== ENDS ===

Romilly Micklem
For and on behalf of the Board of Trustees
30th September 2024