



Diocese of Canterbury

CHANGED LIVES → CHANGING LIVES

Minutes of the meeting of Diocesan Synod held on Wednesday 3 July 2024 at 6.30 in the Clagett Auditorium, Canterbury Cathedral Lodge, CT1 2EE

Bishop Rose opened the meeting with worship. Ephesians Chapter 2

1. Apologies and notices –

Revd Dr Andy Bawtree (Dover Deanery and Chair of the House of Clergy welcomed Diocesan Synod members to the meeting.

Apologies received House of Clergy 13, House Laity 18

2. Minutes of the Meeting held on 16 March 2024

The minutes were approved.

3. Matters arising from the Minutes of the Meeting held on 16 March 2024

Revd Dr Jeremy Worthen (Ashford Deanery) requested that the amended Reculver Deanery Synod motion be included in the minutes of the meeting of 16 March 2024

Action: Minutes of the Meeting of the 16 March to be updated.

4. Reports from February General Synod

To note various reports from General Synod.

The Chair reported that Canon 42 has been amended with the wording changed from the Queen to the King.

5. The Minutes of the Meeting of the Archbishop's Council held on 27 April and the Draft Minutes of the Meeting held on 1 June 2024

For noting.

Revd Rachel Webbley (Reculver Deanery) requested that Item 5 of the Minutes of 27 April be amended from The Racial Justice Committee to The Racial Justice Unit

Action: Minutes of the Meeting of 27 April to be amended.

Harry MacDonald (Canterbury Deanery) asked what the acronym LInC Funding meant? Colin Evans, Strategic Programme Manager responded that this refers to Lowest Income Communities Funding, which is based on levels of deprivation across the diocese.

The Chair reported that the Minutes of the Archbishop's Council were formally received.

Annual General Meeting Of The Canterbury Diocesan Board Of Finance Limited

6. The Accounts for the Year ended 31 December 2023

Miranda Ford (Ospringe Deanery and Chair of the House of Laity) took over as Chair. The Chair welcomed Anthony Richter to present on the report to the trustees for the year ended 31 December 2023. This Report covers all the key areas we need to consider as Trustees, where our responsibility can be summarised as ensuring sound financial management in finance, property and pensions. The first 14 pages of the Trustees Report covers all the key areas you would expect, namely our Structure, Governance and Management, our Objectives and Activities, Achievements and Performance. It also covers a Financial Review as well as Plans for the Future. The Report concludes with a Trustees Responsibilities Statement.

Having reviewed all these areas, I am satisfied that it accurately reflects our experiences in 2023, including comments on finances, sources of funding, main costs, our policies on investments and reserves (both of which were adhered to during the year), staffing and pensions, the key risks we face, measures on safeguarding and anti-fraud measures.

The Independent Auditors (Buzzacot's) report follows on pages 15 – 19, concluding that the financial statements give a true and fair view of the group and that the financials have correctly been prepared in accordance with GAAP and the Companies Act.

Those Financial Statements are summarised on page 20, showing we made a consolidated net loss before investment gains of £618k. Net gains on investments being a healthy £2.9m, we recorded a net income of £2.3m. However, the combined result of a revaluation and reclassification of elements of our approximately £85m property portfolio was negative £4m, of which almost £3m was revaluation in line with a decrease of 4.7% based on Nationwide's SE Index, which also reflects other published indices. This resulted in a net negative movement of consolidated funds overall totalling £1.7m (versus a positive movement of £2.5m in 2022). Overall, our total funds in December 2023 amounted to just over £100m versus £102m in December 2022.

To consider and if thought fit, to pass the following resolutions:

b) To instruct the Directors to re-appoint Buzzacott as Auditors of the Board for the 2024 financial year.

c) That the Directors be authorised to fix the remuneration of the Auditors.

Proposed, The Very Revd David Monteith seconded ?

All in favour, approved.

David Kemp (General Synod House of Laity, Reculver Deanery) thanked TR for the very correct presentation of the accounts but feels that the accounts are

incomprehensible at 13 pages long and that a single page of A4 which explains it to lay people would be ideal. TR confirmed that we would be happy to provide that.

Action: To provide A4 simplified version of the Accounts.

7. Diocesan 2023 Annual Reports

The Chair noted that Synod were to receive not approve the 2023 Annual Report and explained that this Report was a new approach looking across the Diocese rather than just reports from Diocesan House Departments.

Harry MacDonald (Canterbury Deanery) raised a question with regard to Ignite Guernsey referred to in the Report. It was confirmed that this was historic reference, Channel Islands had been part of the Diocese.

Revd Rachel Webbley (General Synod House of Clergy, Reculver Deanery) asked as the three bold outcomes features so prominently, how are we counting our children? Is this something being discussed and agreed, what does doubling look like at a base level? Colin Evans, Strategic Programme Manager, responded, we do need to do some work on our measurement framework and we are currently in the process of recruiting a Project Officer which will give us an opportunity to gather data. Ideally we will be collecting the data the same way as National church.

The Report was proposed by Revd Estella Last (East Bridge Deanery) and Seconded by Harry Macdonald (Canterbury Deanery)

All in favour

None against and no abstentions.

Annual Report of the Diocesan Board of Education,

The Chair introduced Quentin Roper, Director of Education to speak to this Report.

The DBE report has been separated from the Diocesan Annual Report as required by the Board of Education Measure. On behalf of the Board QR thanked Synod for championing our schools and for everything they do. 75% of our church foundation governors places are filled, do tell people about these roles as they are hugely important. There are 105 church schools across the diocese, they are at the heart of our mission, they help us connect with parishes, benefices and with deaneries, that is 26,000 children providing us with rich opportunities when looking at our 3 Bold Outcomes.

Revd Anthony Everett (Reculver Deanery) commented that some clergy work in our state schools and asked how do we capture that information? It's not just church schools, state schools can be at the heart of mission. We promote education across the diocese, how do we harness where can we influence community schools. Germs of ideas at the moment. Already happening at 3 state primary schools and secondary schools, we are attending assemblies each week. QR responded that we are aware of those relationships which are long held and very fruitful.

Revd Simon Rowlands (Ospringle Deanery) raised whether the Aquila Trust should prepare a separate report. QR confirmed that Diocesan Academy Trust is covered

through the Board of Education but that they can produce a separate report next year.

Revd Simon Rowlands (Ospringe Deanery) proposed the DBE Report, John Morrison (Canterbury Deanery) seconded.

All favour, none against and no abstentions

8. Presentation of the Indicative Budget for 2025

TR details in appendix 8, to summarise 3% increase of unrestricted expenditure of 9.2million, funded by 1.2, 7million comes from parish share, LinC funding of under 900k. Parish share requests at 90%, deficit of £850k. The detailed assumptions in the paper itself. An assumed 3% increase in stipend and salaries from April 2025, request from property for £300k to attend the properties following a covid backlog. From this year mgmt. account income £446k lower than budgeted lower than planned receipt of parish share. 1.9 million received at the end of April. The mgmt. accounts parish share received at the end of June 2million 38%, we are still somewhat short of that target. Requested linc funding is £854k and that has come in as expected. Cost 18k above budget, property costs emergency works £172k not planned. Property costs under considerable pressure, we will continue to tightly manage those costs.

Revd Andrew Sweeney (Ospringe Deanery) 2023 they are budget figures, if we compare 2025 indicative budget against 2023 actuals, TR we can do that put the actual figures in. AS that would be helpful.

Harry Macdonald (Canterbury Deanery) noted that there is a huge increase in property costs, TR responded that this was partly catching up on improvement works we need to make sure properties are water tight and fit to live in.

9. Diocesan Financial Projections to 2030

Output of a working group which we formed, details of the working group and members in Appendix A – Level setting background information.

TR summaries what is in the presentation.

To the final projections themselves, reminder of the Diocesan Synod motion requesting these projections.

Important to show how we see the environment in which we are working. Areas of control, influence and concern. Exercises clearly show we are in environment in which we have very direct control. Our response to this environment, the diocese needs all of us – we all need to operate as one body to be successful. In summary to be successful we all need to communicate well, to trust one another and to be flexible.

Analysis of the various areas 2024 income and expenditure, overwhelming importance of parish share on the income side and stipends and salaries as costs.

The scope to cut costs is quite limiting, due to the cost reduction during the pandemic. Got some external validation of how we perform. Any further cost cutting would be detrimental to the Diocese, the only way forward is to grow.

Considered the strategy and benefits it should have on our diocese.

Three different scenarios – refer to the slides.
Main source of revenue is parish share, used AWA

Put their projections into a P&L account which provided the results for 3 scenarios. In every scenario we record a deficit for every year. Includes contingencies.

To summarise, concluded no significant to cut costs, we will have to focus on generosity, selling properties, mutuality and generosity will be key acting as one body. Conclusion.

Clergy Housing – need additional expenditure to clear clergy works, some work urgently required for this year and next. The importance of looking after clergy housing. Conclusion this expenditure of 1.7 million we will need help from external sources to fund it.

TR thanked members of the working group, their skills and time, this exercise bought clarity to us as well and the challenges we face. Our future will require active engagement from everyone in our diocese. The work has just begun. We look forward to the November Synod to discuss the strategy, etc.

Gordon Brown (Ospringe Deanery) – everything based on anticipated parish share, parish share more easily obtained with legacies as the older generation will die, some will leave our estate to the church. TR legacies yes of course, an opportunity, legacy left to the parish, some are tied to restricted funds and not available to pay parish share.

Revd Dr Jeremy Worthen (Ashford Deanery) – looking at the projections the expenditure has used the same for all three 3 scenarios, we may have some growth, additional clergy, need the houses. People just joining the church might not necessarily wish to contribute a portion of their income. TR this is fair point, we can refine this projections further, there could be additional costs to bear. TR wanted to show the trends and challenges we face, we need to do something special under the 3 bold outcomes.

CE – in the strategic projects we build in those costs, we have noted a lag in that.

David Kemp – Neil Logan Green were behind this motion – the motion didn't ask for forecasts we wanted proposals. It took 5 months for the working group to be form, very grateful for the direction of travel. The situation is critical, the old tools will not be sufficient, radical decisions will need to be made. General Synod predicts 80% of the diocese will be in deficit this year. There is talk of this paper of funding streams,

money from centre has very tight strings attached, we need to make our own decisions.

Diocesan Strategy disconnected ideas and projects, 3 bold outcomes, only 2 forms of measurements. We need a coherent diocesan strategy and this is the chance to produce one.

Revd Andrew Sweeney, (Ospringe Deanery) – thanks to everyone who has put the work into this presentation and thanks to the working group, thought the model was helpful. Does the DBF have control, influence over the strategy, can't see the link between the DBF and our strategic work and wondered if that reflected the approach of the working group and if possible that presentation focussed on cutting costs rather than generating income from other sources. TR Colin was part of that working group and helping in linking the strategy into this piece of work moving in the right direction. In terms of the National church it is something we do need to explore, to approach them we need to go to them with our story absolutely clear, and cannot be certain they will agree our proposals. Does the DBF has concern, influence and control over the strategy? The DBF does not but working with Colin helps.

Revd Bob Wheldon (Elham Deanery), thank you to Tony Richter for this presentation with god nothing will be impossible, best presentation he has seen.

Revd Seth Cooper (Sandwich Deanery), coming at from different direction worked in marketing look at product and life cycles and how the products will produce income it seems to me to use our parishes our cash cows. Boston Consultants Group matrix, looking at parishes to create a lot of money for us. They are an old product who are dying off and won't produce money in the future.

+Rose – make brief comments, thanked the working group on producing that paper. The DBF has control over our strategy, what I see is not groups having a power over one group, I see the organisation trying to work together, we are always working together and the strategy is before us on what we want to achieve and how we want to achieve that.

Chris – (Sandwich Deanery) no thought has been given that we can't afford to give more. How are we going to help with that, asking for parish share is quite outdated, with the cost of living crisis how we do expect people to pay more, if we can't afford to pay our parish share how we will get the money to do that outreach?

Revd Barney de Berry, (General Synod House of Clergy Canterbury Deanery) put forward a scenario, where they can meet their share give to permission to pay less to resource children's work, pay for new resourcing community to enable the parish to meet the bold outcomes?

David Kemp, (General Synod House of Laity Reculver Deanery) – elephant in the room, not true we can't cut costs but it will mean few clergy in fewer places, or we

have a different model. We have to think radically and find a new model of church. What is the research done in other diocese, as we are all facing the same problems.

Proposer to take this projections forward Michael Gallagher, seconder Revd Simon Tillotson

44 in favour, 1 against

10. Members Questions and Answers

Harry Macdonald (Canterbury Deanery) – supplementary question, the answer does not address the issue where the leadership is coming from, are we being realistic? For many of these congregations it is not essential for a priest to lead – put the question back to Harry.

Revd Rachel Webbley (General Synod House of Clergy, Reculver Deanery) – supplementary – mission action plan can it be very made clear to all parishes, were not expected to do on top of deanery action planning. Colin Evans, my understanding is the trustees of the PCCs measure 1956 section 2, there is the expectation every parish will engage in mission action planning. The larger the churches have suffered from the recovery of Covid, only a small amount of churches have a mission action plan, these feed into deanery plans.

Deanery Echo Champions questions – any to add a supplemental – no.

11. Strategy and Net Zero Carbon Updates

New approach to allow members to time to consider. Revd Andrew Sweeney (Ospringe Deanery), thanks Colin. 2 questions Resourcing Church Projects come out of the deanery planning exercise, Maidstone hub came out of the deanery plan, Margate one done in paralell with the deanery plan. Collaborative approach, ideally the approach is ideas come from the plans.

Key risks – lack of capacity within deanery leadership, insignificant pace, insufficient investment available. Insufficient scale of pace, your actions read a bit more like plans than outcomes, those risks remain red. If we complete all those actions, we might get down to the residual risk. If we do all these things we might get down to the residual risk. Lack of capacity is a medium risk, at the moment is a high risk.

Further discussion will follow in November. CE any suggestions on the report please send to colin via email.

Dates of next Diocesan Synod meeting:

16 November 2024

2025 Dates:

15 March

2 July

15 November

Please can the house of clergy and house laity meetings be set as well.

Point of order – not everyone *au fait* with process to go to the agenda. To note, vote and – new triennium and inductions.

Thank you to everyone to attending and thanked everyone for participating in Synod and their contributions. We will make it clear the process going forward, discussion, debate, question etc.

+Rose closed the meeting with a blessing. The meeting closed at 20.42.