

GENERAL SYNOD 2012

REPORT OF THE REPRESENTATIVE CHURCH BODY

Seconded by: The Rt Revd John McDowell, Bishop of Clogher

EMBARGOED UNTIL DELIVERY

CHECK AGAINST DELIVERY

Your Grace,

Perhaps it would be helpful if I picked up where Mr Robert Neill left off, and dilate a little more on the inner workings of the Representative Body. As Mr Neill has said, the RB is here to support and serve the Church community.

We are here to support Ministry and we are here to be of help to Dioceses and Parishes in administering their property and financial affairs. As can be seen from the explanation of income, we rely on our own resources to perform the tasks with which we are charged. We levy Dioceses only for specific cost headings, viz.

- Approx 50% of the cost of episcopacy (currently 5.4% of MAS per cure)
- Child protection officers (0.5% of MAS per cure)
- Clergy Severance Fund (zero since 2007 as the Fund has not been drawn upon).

Let me put to rest some misconceptions:

- The parishes contribute no money *directly* to the RCB and nothing is siphoned off
- The Diocesan levies which parishes do pay into are applied to the RCB only for the specific items I have just mentioned
- All money earned by the RCB is investment income or fees derived from managing the Unit Trusts, administering recovery of Gift Aid, or legal work in relation to property and trusts.

So what does the RB do?

- We manage the payroll for 300 clergy and about 70 others
- We act as the registered administrator for the Clergy Pensions Fund
- We receive all pension contributions for some 450 clergy and pay 470 pensions in payment
- We administer about 30,000 trusts
- We act as trustee for all real estate vested in the RCB – 1,100 churches, 510 rectories, 800 halls – at least one property in nearly every town and village in Ireland – thousands of properties, for which we hold 18,000 title deeds

- We manage General Funds, the Clergy Pension Fund and the two Unit Trust funds
- We manage cash deposits for Church funds
- We distribute nearly €8m of unit trust income each year to parishes, diocesan funds and other trusts
- We fund the CITI and are responsible for the RCB Library

And the list goes on....

With the money we have:

- We pay over half the costs of the episcopacy and contribute towards university chaplaincies
- We support the Clergy Pensions Fund to the tune of €660,000 in 2012 (plus special capital contributions of €5m pa currently)
- We pay the entire cost of Ministry training and of the RCB Library
- We pay €925,000 towards General Synod activities, to include this Synod, Standing Committee, the Boards of Education, the C of I Youth Department and portion of the Child Protection Officers.

There is a perception that any money given to the RB is automatically vested and therefore lost. This is not the case. The only time money is “taken” by the RCB is when a parish sells a property already vested in the RCB. If it is a church that is sold, 20% is applied to the Church Fabric Fund as required by the Constitution and as explained on p.39. Proceeds from other sales of vested property are held on account for the parish and invested on behalf of the parish.

Any other monies given to the RCB for safe keeping or investment are freely available for the parish to recall or take elsewhere.

The RCB provides 2 unit trusts, one for each jurisdiction, for investment in a diversified portfolio in equities and bonds as described on pages 93 following. These funds are professionally managed in house and have achieved a creditable performance, especially over the last 3 years as shown.

These two unit trusts pay dividends of 4.03% and 3.9% respectively net of management fees. They offer an extremely attractive and cost effective way of investing church and charitable funds and I would commend them to all treasurers and trustees.

Other services the RCB offers include legal services in conveyancing and general law.

It was at a business conference many years ago that I heard the following adage: “We’ve run out of money; now we will have to think”.

And I suppose that is about where we are in the Church of Ireland. Like many other organisations money is far from plentiful and we are now going through that relatively rare and painful experience of “thinking”.

In one sense our task is similar to that of a business which has found itself short of cash. That is, we have had to ask ourselves what are our core activities? We have had to ask ourselves what can we not afford not to do?

But in another sense our task is more difficult than that of any business.

We can't simply make people redundant because, apart from the ethical considerations, we have precious few employees as it is. We can't just close branch offices partly because we have a commitment to being a national church with a presence everywhere on the island, but also because the living and the dead and the generations yet to come have a stake in our presence.

Those are the particular and even peculiar difficulties which the Church of Ireland, and especially the Representative Body, has had to face and the Chairman of the Executive Committee has been giving you a flavour of how those difficulties are being addressed.

Meanwhile the show must go on; and in the case of the RB it is a very varied show indeed. I haven't been a member of the RB for very long but apart from its routine business it seems to me that every problem that can't find a home of its own finds its way to the Representative Body.

If you look through the report you will see some detail of the day-to-day work which it transacts in some of the categories mentioned above.

Property including:

- o Consideration of the Household charge in the Republic of Ireland and its relevance to the Church of Ireland
- o Water charges in Northern Ireland and the Republic
- o Septic tank legislation (as a rural bishop I now have become a close student of septic tanks)
- o the proposed removal of VAT concessions for listed/Church buildings in the United Kingdom
- o Problems with protected buildings in RoI and the need for review of legislation concerning this area

Charities

We are monitoring, and have submitted a Church of Ireland response to, the consultation process in relation to the changes that are currently proposed to the Republic of Ireland's regime on tax relief for charitable donations. The proposed simplification is welcome, but the suggested composite rate for tax relief would, we feel, be too low to have the planned neutral impact on parish income.

We continue to provide a service for parishes in Northern Ireland in assisting with the reclaim of Gift Aid.

Stained glass

A massive and really impressive amount of work has been carried out in this area by Dr David Lawrence with work in the Republic of Ireland more or less completed and work in the Diocese of Connor begun. And it is only right that we should acknowledge the generous financial assistance of the Heritage Council in the Republic of Ireland and NI Built Heritage in Northern Ireland, who have added to the funding provided by the RB itself.

Managing the building and upkeep of See Houses

- o Armagh complete
- o Kilmore commenced
- o Limerick – continues to be under active consideration

Library and archives

A very innovative Cooperation and coordination with An Garda Síochána regarding the historical records of pre police force known as ‘watchmen’ – a project greatly valued by the Gardai.

Selecting from these, if I could draw Synod’s attention to just one area for consideration in a time of straitened circumstances.

On page 39 of The Book of Reports, at the head of the page, you will find details of the Church Fabric Fund, which as you can see has accumulated quite a significant capital sum, particularly in the Republic of Ireland.

The Church Fabric Fund awards grants to defray the costs, in whole or in part, of the restoration or repair of any church or chapel vested in the RCB.

For the first time in a long number of years the fund did not disburse all that it had budgeted for in the past year. I know that the RCB is keen that the fund should be used to its full potential and Ian Walshe in Church House will, as always, be extremely helpful to any one who wishes to make an enquiry.

No doubt one of the reasons why the Church Fabric Fund has not been able to allocate its total budget this year has been that parishes are despairing of being able to raise the rest of the sum needed for whatever project they may have in hand. There is a very natural reluctance to ask people for additional money at a time when everyone is being squeezed from all directions.

Unfortunately that is not helped when other incentives, such as the Listed Places of Worship Grant Scheme, is also working under a smaller budget and a further review of its workings is underway.

For a whole host of reasons, Ireland (north and south) does not have an overabundance of distinguished or beautiful buildings and very often the local churches are the only really significant historical, working buildings that are accessible to all. It would be a real pity if those who have been their stewards and guardians are rendered too demoralised to continue in that work through lack of relatively small sums of money from the public purse.

As you can see the work of the Representative Church Body is rather like the action of God in creation- nowhere seen but everywhere present.

I have much pleasure in seconding the proposal that the Report of the Representative Body be taken into consideration.