

Council of Assembly – General Assembly 2019

Moderator

I am pleased to present the Report of the Council of Assembly along with the Supplementary Report contained in the Order of Proceedings. I also lay on the table the Annual Report of the Church of Scotland as required by OSCR.

The work of the Council of Assembly is extensive as is demonstrated in the reports now before you. But it is important only in so far as it enables the church as represented by the people of God, worshipping in our local churches, to follow Jesus and participate by the guidance of the Holy Spirit in the building of God's kingdom on earth. It is in enabling and supporting the local that the Council fulfils its task.

Andrew Watson in his book "Confidence in the Living God" quotes the need for the church to face up to the Stockdale paradox. This states

"You must retain faith that you will prevail in the end, regardless of the difficulties...AND ... at the same time you must confront the most brutal facts of your current reality, whatever they might be."

This is what the Council of Assembly has been trying to do over the past year, looking to the future with hope in the living God, while not shying away from the difficulties and challenges that face us.

Following last year's Assembly when you called for radical action to enliven and enrich the church the work of the Council along with other Councils and Committees has been largely devoted to Developing the Radical Action plan which we will discuss on Tuesday. In preparation for that debate, it would be very helpful if any of you who have thoughts or proposals to make about the action plan could speak to us in advance of the debate so that we can all be as prepared as possible.

As part of that plan, the Council requested the setting up of a Special Commission with a remit to look at Governance and Structure, conscious that it could not legitimately review itself and that we needed external objectivity available from out with the Council. This report will be debated on Monday. These reports along with the proposals of the General Trustees together form what we could call a Radical Action Plan.

This year's Assembly has the opportunity to contribute to the future shape of the church's mission through the decisions that we will make this week. It is therefore with some trepidation that I present the Council's report, aware that by the end of the week, things may look very different. I look forward however to participating in the debate. We have been acknowledging for some years now that things need to change and I hope that we are at that place today where change can begin. We have been praying in our "Together We Pray" initiative and national days of prayer for the Holy Spirit to guide this church in the way that God would have us go. Let us continue that prayer this week and look for the answers from one another as we discuss in God's presence.

As much of this debate today will be concerned with financial matters, we give thanks to God that the figures presented here represent the faithful and generous giving of the people of God in our congregations worldwide. The accounts reflect the finances but do not reflect the impact that the Church is enabling in every part of Scotland, in the UK and across the world. People are giving generously of their time, talents and money. The valuable work that this enables is outlined in a small way in the Annual Report. This includes an enormous amount of social care delivered by local churches to the communities around them alongside a variety of worship opportunities and a commitment to discipleship. This is a cause for thanksgiving and celebration and we should pause for a moment to praise God for His inspiring Holy Spirit and His answers to the prayers of His people.

The Council of Assembly is responsible for enabling, supporting and encouraging the local church. With over 80% of our congregational givings returning back to local congregations and a further 5% going to Presbyteries, this priority is evident. When we come to debate the Radical Action Plan and indeed the report of the Special Commission, I hope that this priority will be further strengthened. For the purposes of today there are six key financial messages:

Income has been overall maintained. The amount collected from congregations has fallen slightly in percentage terms, but this has been offset by income from other sources. Although the percentage reduction in the amount collected from congregations is small, in real terms this equates to almost £1.5 million pounds in the last 5 years. In 2018, the final amount received by the end of the year was £42.8 million pounds. The Council is very aware of the pressures on local congregations particularly those who are in vacancy and the Assembly will have a opportunity to debate potential changes to the Mission and Ministries contributions on Tuesday alongside the matter of the vacancy allowance. This is an area which rightly has exercised the Assembly and the Council for several years but changes are fraught with the possibility of unforeseen consequences. However the Council believes that a start can be made and we look forward to the discussion. Despite these pressures our

congregations continue to give generously and sacrificially in support of the work of the church.

The overall deficit in 2018 after everything was taken into account was £4.4 million pounds. This is the amount met from reserves and the outcome is that total funds of the Church now stand at £190.2 million pounds. We recognise a continuing operational financial deficit and a number of initiatives are underway to address this, some of which I will outline below. It needs to be stressed that this is not entirely an unplanned deficit. We are not in any way complacent and the budgeted operational deficit for the year 2019 remains high at some £4.5 million pounds. The Council recognises that this is not an acceptable position and has identified means of reducing the projected deficit for 2020.

The largest operating deficits were in Ministries and Social Care. As detailed in the report, the Ministries Council deficit is in part a planned deficit linked to their Development Plan which is due to deliver in 2020. Social Care continues to operate in a very challenging environment as many of you will know particularly in the area of services to older people. This along with the ongoing Pension Deficit Repair payments accounts for their deficit budget at present. Other Councils and departments have also recorded a deficit in 2018 and this is likely to continue into 2019. Strenuous efforts are being made to identify further savings but much will depend on decisions this week about future priorities for the church which will assist in making decisions about where our money should be spent.

The indicative budget for 2020 shows progress being made in controlling the deficit. Savings have been identified by the Senior Management Team and both Ministries and Social Care are taking significant action to bring their income and expenditure into alignment as are other Councils. On current operational activities, the indicative deficit for 2020 is therefore reduced to £2.9 million pounds.

Work is being progressed in the Funds Review Project, a project initiated by the Council in late 2017. This has now started to deliver significant results in freeing up money that can now be accessed to use more effectively for the work of the Gospel. This project has been undertaken by the Law and Finance Departments in collaboration and involves extensive and detailed examination of some 450 funds. Thus far more than 60 funds have been formally re-organised. It is expected that the process will be completed during the course of the summer.

A recent Government report recognises the high value of work done by faith organisations of which the church of Scotland is one of the major players. Whilst not being in any way complacent about our financial position and being aware of the need to

prioritise, we should however not forget the impact of the work being done by God's people in Christ's name. In this year of celebration, we want particularly to affirm the value of 150 years of social care provision by the Church of Scotland. This work does not come free. High value work requires investment and this has been demonstrated by the church over many years.

The other face of finance is of course Stewardship and we are pleased to be able to inform the Assembly that following our review of the Department of National Stewardship already reported to the General Assembly, the national team has been enhanced with the recruitment of a further two consultants bringing the team up to a co-ordinator and four consultants. The way in which the Stewardship team work is changing with a more modern approach to all aspects of giving being adopted. In our report we highlight some of the benefits to congregations of engaging with the stewardship department and taking part in a stewardship campaign informed by the staff. We would like to encourage congregations who have not yet done so to consider this and to attend one of the roadshows to launch the new resource "A narrative of Generosity - following Jesus into Stewardship". These will be conducted in June with resources available on the website.

In the time that remains, I would briefly draw the attention of the Assembly to a number of further items in our report. The first is the work of the Gaelic Group which has been active over the course of the last year. The group has produced a strategy document which is available on the church website. In addition, the group had identified and attracted funding from both internal and external sources that will enable this work to be taken forward. The Council is grateful to staff and members of this group for the progress that they have been able to make on the Gaelic agenda.

Secondly I would ask the Assembly to note and approve the arrangements for the Huts and Canteens grants Fund as detailed in the supplementary report. This matter has been taken forward following discussion with the Convener and Secretary of the Committee on Chaplains to HM Forces who have agreed to the outcome contained in the report.

You will also note in the supplementary report, a new Memorandum of agreement with the University Court of the University of Edinburgh with regard to the contents of the New College Library. We are asking the Assembly to approve this new arrangement which is essentially a modern reworking of the previous document.

There are a number of changes to committees which the Assembly is asked to approve and details of Governance and Audit matters as well as brief sections on the work of the Refugee Co-ordination Project, Interfaith work and the Gender Justice Initiative.

In highlighting these important issues, I hope that I have given you a flavour of the extent of the work for which the Council of Assembly is currently responsible. In doing so I would like to record my thanks to the members of the Council for their generosity of time, talent and support throughout this past year. However all our thanks goes to the staff employed in the offices in George Street. Their's has been a particularly difficult and stressful job this year and we owe them a debt of gratitude for the dedication with which they have carried out.

And finally— for the past two years we have asked the Assembly to endorse a National day of prayer. This year we are delighted to welcome our partnership with the worldwide “Thy Kingdom Come” movement focused on the period of Ascension to Pentecost which follows closely on this General Assembly. We hope that many individuals and congregations will sign up to be a part of this. And as we will be discussing on Tuesday, we are asking the church to commit to a season of prayer from September to the start of Advent focusing on those parts of the Action Plan which we approve on Tuesday. Prayer is the bedrock of our work for the Kingdom; our opportunity to converse with our God, the church at work. It is how we learn to follow Jesus and become more like Him. Although the Council is largely concerned with matters of Governance and Finance, praying is far and away the most important thing in which we engage and I commend these initiatives to you.

Moderator I present this report of the Council of Assembly and move the Deliverance.