

**ASSEMBLY TRUSTEES MAY 2021****Proposed Deliverance****The General Assembly:**

1. Receive the Report.
2. Acknowledge with gratitude the work and ministry of the Church at all levels during the Covid-19 pandemic. *(Section 1)*
3. Receive the 2020 Report and Accounts of the Church of Scotland Unincorporated Entities. *(Section 4)*
4. Note the challenging financial situation facing the Church as a result of the Covid-19 pandemic and, while acknowledging the necessity of setting a Covid-19 recovery budget for 2021, reaffirm the need for budgetary prudence and the priority of resourcing Presbytery reform and supporting the growth of the local Church. *(Section 5)*
5. Thank the Very Rev Dr Russell Barr and the Ministries and Mission Review Group for their work and approve Giving to Grow as the new Ministries and Mission Allocation scheme to replace the current Ministries and Mission scheme. *(Section 7)*
6. Instruct the Assembly Trustees to report to the General Assembly of 2022 with further details in relation to:
  - (i) the funding models which will apply to the new Presbyteries;
  - (ii) the intended size, scope, terms and conditions of the proposed Transition Fund;
  - (iii) a comprehensive communication strategy for the implementation of Giving to Grow; and
  - (iv) the criteria and process for an annual review process for Giving to Grow. *(Section 7)*
7. Instruct the Assembly Trustees to present Regulations for Giving to Grow to the General Assembly of 2022 with a view to implementing Giving to Grow from 1 January 2023. *(Section 7)*
8. Lift the moratorium on increasing Ministries and Mission contributions imposed by the General Assembly of 2019. *(Section 7)*
9. Note the work done in projecting both the future availability and affordability of ministries across the Church of Scotland and set as a realistic aim that Presbyteries should seek to implement by 2025 Presbytery Plans based around 600 fulltime equivalent ministries and a target of no more than 60 further charges vacant at any one time. *(Section 8)*
10. Acknowledge that much has been learned through the consultations carried out on behalf of the Trustees by the Special Group (D10) which was exploring the most effective and efficient way of delivering the work of the Faith Action Plan and note that the Trustees, building on the lessons learned, will continue this work in a spirit of collaboration, bringing a final report to the General Assembly of 2022. *(Section 9)*
11. Note the recommendations contained in Appendix 2 and, for the time being, approve the placing of the Ecumenical Relations Committee and of the Theological Forum within the Office of the General Assembly. *(Section 9)*
12. Approve the placing of the Gaelic Group within the Faith Nurture Forum. *(Section 19)*
13. Approve the reduction in the number of members of the Nomination Committee from 24 to 18 in addition to the Convener and Vice-Convener. *(Section 20)*
14. Agree to increase the size of the Personnel Appeal Panel to twelve persons, each appointed to serve a four year term with the option of appointment for a further four year term and grant powers to the Convener and Vice Convener of the Nomination Committee to approve the co-option of new members of the group. *(Section 21)*
15. Thank those involved in the External Communications Review and welcome the setting up of the Communications Strategy Board. *(Section 29)*
16. Approve the decision of the Assembly Trustees to suspend the work on the future of the George Street buildings for two years whilst ensuring a basic maintenance programme commences. *(Section 35)*
17. Encourage Kirk Sessions to participate in a National Gift Day during Harvest time in 2021, promoting the offering of thanksgiving gifts to God for sustaining the Church through these challenging times. *(Section 45)*
18. Urge congregations to engage with the National Stewardship Programme, using the Narrative of Generosity resource to embrace a whole life of stewardship. *(Section 45)*
19. Note the appointment from 15 October 2020 of Gillian Elizabeth Coghlan as Depute Treasurer and confer upon the said Gillian Elizabeth Coghlan, Depute Treasurer, full power to discharge all legacies, bequests or donations which may have been or may be left, bequeathed or made to the Church of Scotland, or any of the Schemes, Councils, Forums, Committees or agencies thereof, or which may have been or may be left, bequeathed or made to the United Free Church of Scotland or to any of the Schemes, Boards or Committees or agencies thereof and which in terms of the Agreement with the continuing United Free Church of Scotland fall to the Church of Scotland or its Schemes, Councils, Forums, Committees or agencies, and to sign all Discharges, Agreements, Indemnities, Undertakings, and other Deeds which may be necessary in connection therewith. *(Section 49)*
20. Approve the amended remit of the Legal Questions Committee set out in Appendix 3. *(Section 50)*

## Report

### 1. INTRODUCTION - A YEAR LIKE NO OTHER

Foodbanks run from church halls. Soups delivered across parishes. Shopping for vulnerable neighbours. Establishing vaccination centres in church buildings. Finding new ways of being in touch with and supporting one another while we could not meet in person. Giving thanks and prayers for the work, witness and sacrifice of CrossReach staff on the real front line.

This past year has presented unprecedented challenges to each of us. Each one of us has lived with restrictions and cancelled plans, missed out on seeing friends and family, and experienced loss and pain. Despite the difficulties which we have all lived through, we have seen resilience, support, and love in the ministry of the Church. These examples only cover a small part of the work which Congregations have done this year, with many other ways of faithfully and creatively supporting local communities evident. As a Church, we have engaged with technologies, which were new to many of us, to enable social interaction and communal worship, and to support one another. Despite the difficulties brought about by not being able to meet in person, by working from home and the furloughing of many members of staff, the national staff and Forums have worked hard in embracing the Faith Action Plan and supporting Congregations. Presbyteries across the country are working towards reform, both in enabling the creation of new Presbyteries, and in determining the best ministry across their existing area.

We have all tried to work hard to help each other through the pandemic, and through the feelings of helplessness, sadness and uncertainty, in the circumstances where God has placed us. We give thanks for the work and ministry of the Church at all levels, especially at this time.

### 2. WORKING RELATIONSHIPS

The restrictions of the past year have presented challenges for the way in which the Trustees and the Agencies of the Church have been able to develop working relationships. In terms of the Constitution and Remit of the Assembly Trustees, our overarching duties are "to seek to ensure the implementation of the policies, priorities and strategic objectives of the General Assembly through working with the Agencies to achieve a collaborative approach to the nurturing of the people of the Church in their witness, worship and service and through assisting the General Assembly to determine strategy for the Church."<sup>[1]</sup> With the almost simultaneous advent of the new Forums and Covid-19, remote working, communication and collaboration across the Church has been far from easy and we are acutely aware that our need to stand apart from the work of the Forums<sup>[2]</sup> may at times have been viewed as a lack of interest and, in contrast, that our duty to ensure effective management of staff and resources<sup>[3]</sup> may at times have been viewed as undue interference. With this in mind we have begun to re-engage with Agencies as to how the operation of liaison trusteeships<sup>[4]</sup> can best be arranged to suit the relationship between the Trustees and individual Agencies.

### 3. AUDIT OF ANNUAL ACCOUNTS FOR 2020

It is the responsibility of the Assembly Trustees to prepare, approve and present annually to the General Assembly the audited Annual Report and Accounts of the Unincorporated Entities. The Report and Financial Statements describe, in detail, the Church's objectives, activities and governance arrangements. They are issued as a separate document on the Assembly website. The Assembly is invited to receive and view the Report and Accounts <https://churchofscotland.org.uk/79854>.

### 4. CHALLENGE OF CHANGE

The Covid-19 pandemic has not only been difficult for our working and social connections, it has also contributed to a significant reduction of income for local Congregations, and, as a result, for the Church as a whole. This loss of income, in turn, causes a lack of resources for local ministry and initiatives, and for the work of the national Church. Much of this report, therefore, must focus the Church's attention on finance: what the Church wants to achieve and what we can ask each other to provide.

The pandemic struck at a time when we were already facing substantial changes, in which difficult decisions had to be made. The General Assembly of 2019 marked a watershed moment; with the endorsement of the Radical Action Plan and the approval of the recommendations of the Special Commission on Structural Reform, the foundations for far-reaching change were laid. These show that pre-pandemic the direction of travel was already set, with the Assembly Trustees instructed to facilitate a programme of reform in every part of the life of the Church of Scotland. It was self-evident that the work to be done would have its challenges, but no one could have predicted how much more challenging the work of the Trustees and the new Forums would become when our church buildings were closed and the nation went into extended lockdown.

If anything, this background sharpened the Trustees' understanding of their principal purposes to use and steward the funds of the Church *to build and strengthen local congregations as centres of worship, care, nurture, service, witness and mission; and to promote, in partnership with other churches, the ministry and mission of the Church throughout all of Scotland, with particular reference to its poorest and most remote areas*<sup>[5]</sup>. Never has this been so complex or so demanding of the commitment, time and energy of the Trustees, the Forums and the whole of the staff and other members of the Church with whom we work.

A prayer of the late David Ogston was recently used to open the meeting of the Trustees; it has the words: *Did You hear us, maybe, before we had spoken, beg You for a leadership only You could give, a landmark only You could build? Lord, we are still begging. Looking for the blueprint.* The power of these words expresses the desire of the Trustees for clarity of vision and resolve but they also express the desire of the Trustees to seek the will and purpose of God in the work for which they are responsible.

### 5. LOCAL AND NATIONAL FINANCES

Since the General Assembly in October 2020, work has been unremitting for everyone and the principal task of the Trustees, together with the Chief Officer and his staff in consultation with the Principal Clerk, has been to hone as accurate as possible an overall picture as to the impact of the pandemic on the life of our Church, both locally and nationally, so that the Church's human and economic resources can be applied as well as they can be to strengthen local Congregations.

Congregations have been affected in different ways by the pandemic. Some have been able to mitigate potential losses; their members have kept up or even increased their offerings. Others, however, who depended heavily on funding from sources such as hall lets or café income, have been hit hard. It will be well into this year before we have a complete picture of the overall impact but considering the challenges that have had to be faced it has been heart-warming to see the way in which individual Congregations have been generous in trying to share their means with others. As we have said, inspiration can be found in how ministers and Congregations have developed new ways to worship, to provide pastoral support and to expand community service activities to keep food banks open and provide support for the most vulnerable.

There can, however, be no doubt that the impact is stark. Out of a number, two stand out:

- In 2020 there was a reduction of about 3% from 2019 in Ministries and Mission Contributions paid by congregations by the year end and we believed that many congregations were using their reserves in order to maintain their contributions. This led to the decision that, for 2021, there should be an overall reduction in aggregate Ministries and Mission contributions of 18% to relieve the pressure locally. Initial analysis of congregational financial statistics confirmed that, on average, Congregations' 2020 income reduced by a percentage of that order.
- The pressures on CrossReach have been immense and additional costs together with enforced restrictions on filling vacancies in residential care have led and will continue for some time to lead to losses which can be managed but not immediately reduced.

The result has been that, in setting the budget for 2021, and even after achieving all of the central savings instructed by General Assembly 2019, making use of the Government's Job Retention Scheme and a significant reduction in costs through meeting electronically, we have budgeted to draw over £11m from reserves in 2021 to support the work of the Church. There is a high risk of exceeding this budget because of the two factors mentioned above. The deficit could increase significantly if the already reduced level of contributions is not met and/or if CrossReach cannot achieve its operational budget. A drawdown of that potential magnitude cannot be repeated on a yearly basis without our using up our reserves within five to ten years, particularly in view of the size of our stipends and salaries.

It follows that in the year ahead, our work must have two main aims. First, with Presbyteries, is to ensure that the local church is supported. Second, we must identify the extent to which Congregational income and contributions will recover and whether there are further areas where economies can be made so that the support of the local church is not diluted. As outlined within the Chief Officer's report, we are clear that, having achieved the requested savings in the budget of the National Offices, any further reductions could only be achieved at the expense of diminishing certain elements of the character and personality of the Church of Scotland as a national Church. It will be the principal focus of the new Head of Faith Action Programme to ensure that the aspirations of the Faith Action Plan are delivered as effectively and efficiently as possible.

Against this background we see it as essential that the General Assembly affirms the direction of travel agreed in 2019 and confirms the Church's commitment to pulling the levers of change across every part of our life and work. It is clear that, coming out of this pandemic, we will not be returning to things as they were. Our financial profile will be quite different, our ways of working and ways of engaging socially will have altered and the ways in which we engage, online and in community, in the ministry and mission of the Church need to change accordingly.

## 6. PRESBYTERY REFORM

Working with the Principal Clerk and the Assembly Business Committee, our Presbytery Finance and Staffing Task Group has been considering appropriate structures, staffing and associated funding for this vital element of building and strengthening local congregations in regions whose assets and challenges vary greatly. In 2019 the General Assembly called for the creation of 10 - 12 well-resourced Presbyteries. Work on this reform is well underway with the likelihood that the Church will be served by the creation of 9 new Presbyteries. The Trustees understand the vital part that these new Presbyteries must play in the renewal of the Church, so it has become a priority to understand more clearly how they should be funded in the longer term. Until

now only interim arrangements have been put in place for the new Presbyteries of Clyde and Fife; but there is a degree of urgency around assuring a funding model that works across the complexity of the very different Presbyteries which are now emerging.

## 7. MINISTRIES AND MISSION REVIEW – *GIVING TO GROW*

Closely allied to this has been the work of our Ministries and Mission Review Group, convened by the Very Rev Dr Russell Barr. This Group was formed following the Assembly of 2019 and its remit was to make recommendations to the Trustees on how Ministries and Mission allocations might be reconfigured. The Group has now presented to the Trustees a very full report outlining the principles of a new scheme entitled *Giving to Grow*. [see appendix 1] The Trustees believe that this scheme offers the kind of clarity and transparency which is lacking in the current scheme. It describes clearly how much a charge contributes to the cost of its own ministry (Ministry Here) and how much it contributes to the wider work of the Church (Ministry Elsewhere). *Giving to Grow* has been tested and this shows that it would work as a direct replacement of the old scheme.

In the interim, however, new unknown quantities have emerged. The full impact of the Covid-19 pandemic on Congregational income is unknown; but there is no doubt that the current level of income is severely depressed, and the Trustees believe that there is little point in introducing a new contributions scheme at time when the Church is operating a Covid-19 recovery budget. We hope that the Church's income recovery will be such that *Giving to Grow* can be introduced in January 2023, but even this date for introduction will be kept under review.

In addition, there are five other matters where more time is required in order to indicate to the Church how we envisage that *Giving to Grow* will operate in practice. These are:

- the funding model/s which will apply to the new Presbyteries
- the intended size and scope and terms and conditions of the proposed Transition Fund
- the development of a communication plan for the implementation of *Giving to Grow*
- the criteria and process for an annual review process which is built into the scheme and
- the provision of revised Regulations

At this stage, therefore, the Trustees seek approval of the new Scheme along with instruction to return to next year's Assembly with details in relation to each of the above matters.

In the meantime, the Trustees are of the view that the moratorium on increase in Ministries and Mission contributions imposed in 2019 should be lifted. This would give the flexibility, if needed, that some congregations whose position has been strengthened over the past year could be asked to contribute more to the wider work of the Church. In the main, however, those Congregations hardest hit by the pandemic will be provided with support to explore, along with Presbyteries, options for navigating through the coming months. To deliver this assistance we have formed a Task Group to work with those congregations who are most at risk.

## 8. PRESBYTERY PLANNING AND FUTURE MINISTRY NUMBERS

To be able accurately to respond to the realities that we face as a Church, as highlighted to GA 2020, a financial modelling system has been developed which will enable resource planning to be carried out with a significant degree of accuracy. We hope and pray for a resurgence in the life of the Church, but we have to begin from a place where we are realistic about the current trends in our demographic and in likely income and expenditure.

Whether viewed from the standpoint of the individual Congregation or from that of the whole Church supporting one another, we realise that for the purpose of Presbytery Planning for Mission it is essential to have as accurate as possible a forecast of what is both a realistic and affordable number of ministries. In reviewing this we see the impact of our failure to attract a significant number of candidates for full time ministry and we now see the imbalance with retirements, year on year, greatly outnumbering those presenting for ordination. Add to that the fact that, for the time being, our overall income is in real terms decreasing and we see the significant constraints with which we are working. With the range of financial predictions available from the modelling system and increasing clarity around ministerial recruitment and retirement, we consider that proper planning for a sustainable ministry throughout the country over the next five to ten years requires us to present to this year's Assembly an estimate of the number of all ministry posts which the Church as a whole will be able to afford through its Ministries and Mission contributions and which we may be able to provide through the present number of candidates in the system.

The figure for all ministry posts in just under five years' time (2025) to which we estimate we should work is in the region of 600 ministries<sup>[6]</sup> in addition to no more than 60 vacant Charges. This paid-ministries figure presents a reduction of around 20% on the advisory figures which were produced by the Ministries Council in 2018. Whilst this is a significant reduction it takes account of the fact that it has been calculated that in 2020 40% of all current Full Time Ministers of Word and Sacrament were over the age of 60 with significant numbers, maybe as high as 60%, projected to retire over the next ten years. Any aspirations to increase the number of paid ministry posts is currently not feasible unless we see significant improvement in both the finances of the Church and in our ability to attract more applications to ministry. Further detail regarding how these revised numbers are to be deployed across the Presbyteries is discussed within the Faith Nurture Forum report.

These stark realities, however, come at a time when people have become used to change and there is a clear opportunity to reconfigure the life of our Church around fewer buildings and fewer Charges and to reshape our life for mission and service.

## 9. FORUM CONSULTATION - SPECIAL TASK GROUP (D10)

Following the instruction of General Assembly 2020, we convened a Special Task Group (the D10 Group), comprising two Trustees and four others, to consider whether there might be more effective and efficient ways to carry out the work which has to be managed and delivered from the Church's national base. An Update on their work which includes what the Group reported to the Trustees was published as part of the Trustee Update in March <https://churchofscotland.org.uk/79027>.

The Trustees have heard what the Group has said in reporting about how challenging 2020 had been for everyone. Communications could have been better, and it was evident that it was a difficult time to talk about change let alone to implement change. One of the challenges has

been that anticipated collaborative ways of working were overtaken by the need to respond to the circumstances brought about by the pandemic. We recognise too, that many may have assumed that the outcome following the deliverance from the Assembly in October 2020 would be a recommendation either to amalgamate the two Forums or to retain them as they were. The question, however, as the section of deliverance acknowledged, was bigger than that and we are grateful to the D10 Group and to those who were consulted for the fresh thinking which has emerged.

The Trustees, therefore, while acknowledging that work has to be done on building relationships and on better collaboration in working, are convinced that the D10 Group pointed the way towards more creative and cooperative ways of working across all areas and are keen that the work of the Group continues. The Group have identified areas where work could be done better, and have identified related concerns to do with communication, shared understanding, and what is asked of people who express a willingness to serve.

The big picture is: what will it take to see the Faith Action Plan come alive as a means of focussing the Church's priorities and stretching our ambition to be the very best we can? So, in the coming months, with the prospect that, post-pandemic, we can build closer relations with and between the Forums, with a Head of Faith Action Programme in place and with new ways of coordinating the work of the Faith Action Plan emerging, we intend to continue this process of dialogue with a view to reporting to the General Assembly in 2022.

The D10 Group also considered the place and management of the Theological Forum and the Ecumenical Relations Committee. Their report (Appendix 2) recommends that, for the time being, the Ecumenical Relations Committee and the Theological Forum should be placed within the Office of the General Assembly.

## 10. TRAINING FOR ALL THE PEOPLE OF GOD

Another significant challenge is around the way in which we train and support elders and members to play their full part in the ministry and mission of the church with a particular emphasis on developing new ways of being church. The Training Task Group, which brings together the Trustees and the Faith Nurture Forum, is committed to establishing an integrated training programme which will provide learning resources from foundation level to in-service training. As a priority the Group has just completed discussion with the five approved academic providers considering how to deliver the best possible preparation for the Ordained Ministries of the Church.

## 11. SMALL GRANTS FUND

Having been unable to provide funds to commence our major *Seeds for Change* project, we have instituted a small grants scheme for local initiatives. The Trustees will be particularly interested in supporting projects which foster new mission initiatives. Further information on the scheme can be found here <https://churchofscotland.org.uk/79855>.

12. Each of the foregoing pieces of work is, in a sense, internal; but vital if the Church is to remain a vibrant force for local worship, mission and service. At the same time, the Church's future shape must include the more national and international engagement of Congregations and the whole Church with society, and in support of the economically poor, of the marginalised and of creation. These are the areas of work of the Faith Impact Forum and of CrossReach.

## 13. CROSSREACH

The challenges facing CrossReach are acute. Significant financial support continues to be provided by the Trustees;

this is likely to continue for some years and will have further implications for the use of our Reserves. Nonetheless, we record here, as elsewhere, our gratitude for the work of care home staff at every level and of all other staff who have courageously and inventively worked to keep people safe and in communication with their relatives, counsellors and support services.

For 2020 the budgeted deficit for operational matters in CrossReach was £1.3m. With the effects of the pandemic, the operational deficit was £2.4m (before past pension deficit repair contributions); although this may be reduced as a result of discussions between the Care Sector and the Scottish Government. In addition, the Church must now act as insurer for CrossReach as regards some Covid-19 matters where insurance is no longer available. Further, there are potential and unpredictable liabilities regarding historic cases of abuse, and possible participation in the new statutory Historic Abuse Redress Scheme. We continue to work with the Social Care Council to try to find ways of operating which allow greater freedom of decision making for CrossReach whilst retaining an appropriate element of oversight of this major section of the Church's charitable work.

#### 14. FOSSIL FUEL AND NET ZERO TARGETS

We are pleased to have been able to work with the Faith Impact Forum and the Church of Scotland Investors Trust on a way forward in dealing with investments in Fossil Fuel companies and with the more general question of ethical investment policy.

The Trustees will also work with the Faith Impact Forum on considering the resource implications of the ambition to achieve Net Zero carbon emissions across the Church.

#### 15. SALVESEN FUND

With the Faith Impact Forum, we have agreed to an alteration in investment policy so that one half of the assets of the Salvesen Trust, whose £16m assets form part of the charitable estate, is now invested in the COSIT Income Fund, with the balance remaining in the COSIT Growth Fund. This decision was made to help mitigate against reductions in income through falls in investment returns.

We have also discussed with the Forum, as trustees of the Salvesen Trust, whether the purposes of the Trust, last reviewed in 1991, continue to provide a suitable and effective method of using the funds, having regard to the spirit of its purposes. The trust was originally bequeathed for use by the Colonial Schemes of the Church and was varied by the Court of Session in 1991 to reflect the change to ministry abroad being carried out by indigenous churches rather than by the Church itself and the purpose approved then was for provision of the ordinances of religion to Scots. Thirty years on that restriction to Scots both leaves too large a fund for the modest requirements beyond the United Kingdom and, also, is not aligned with the more diverse viewpoint of the Church today. With the Salvesen Trustees, therefore we intend to approach the Scottish Charity Regulator to discuss the removal of the restriction and to make related revisals.

#### 16. ISRAELI ENTITIES

We continue to support the work in Israel/Palestine at the Tiberias Hotel, the Jerusalem Guesthouse and Tabeetha School. In these much-altered financial circumstances we consider that we must keep under review whether, even if profitable, this continues to be the most effective and efficient way of maintaining our lengthy traditions of supporting justice and peace in the Holy Land.

#### 17. LOOKING AHEAD

Looking ahead, there are clear risks which we cannot avoid but must seek to mitigate. There is a risk that

Congregational giving will be further reduced; but our new capability for financial modelling should mean that we can plan for a wide range of economic circumstances. In addition, the Stewardship team will be progressing the broadening of approaches to increasing income through entrepreneurship and novel fund raising; and their plans for a Thanksgiving Gift Day are among other things which we hope will be moments to think about how we emerge from months of Covid-19 restriction.

There is a risk of continued economic impairment for CrossReach and there is a risk of significant liability for historic abuse. There is a risk that we do not manage to recruit a sufficient number of candidates for the Ministry or other worship leaders. There is a risk that, unless supported with proper management, accountability and good communication, our staff and Forums and Committee members will feel under too much pressure. Each of us, members of this Church, must value everyone who gives their energy and enthusiasm to the ongoing life of the Church. God is not finished with the Church of Scotland; together and together with sister Churches and organisations there is work to be done.

#### 18. HOUSING AND LOAN FUND

As anticipated in Clause 41 of the Trustees' Constitution and remit, the Trustees have engaged with the trustees of the Housing and Loan Fund. The trustees of the Housing and Loan Fund are working on a Strategic Review of the Fund and recognise that the Fund now has more assets than it is anticipated will be needed to fulfil the Fund's current purposes. The Trustees are working with the Housing and Loan Fund Trustees and the Chief Officer to identify how, in compliance with the Fund's purposes for Housing for Ministry, those assets can be best applied for the benefit of the Fund's Beneficiaries and the wider benefit of the Church.

#### 19. THE GAELIC GROUP

Having previously worked under the remit of the Council of Assembly, the Trustees have come to the view that the Gaelic Group reports into the structures of the Church under the auspices of the Faith Nurture Forum. The Trustees look forward to seeing how the work of the Gaelic Group develops over the forthcoming months.

#### 20. NOMINATION COMMITTEE

Over the past year the Nomination Committee has operated with two vacancies and, with ten members completing their term in 2021 there are vacancies for half of the committee membership. The whole committee normally meets in August and January; with occasional subgroups of three or four fulfilling specific tasks as they arise.

The current standing order provides for 24 members in addition to the Convener and Vice-Convener; and the Committee is of the view that a membership of 18, in addition to the Convener and Vice-Convener would be quite adequate for the work and still allow for appropriate diversity and have asked the Trustees to consider if this reduction in membership would be acceptable.

In our view this reduction is in line with similar reductions in the Forums and the new CrossReach Board and we propose that it should be approved.

#### 21. PERSONNEL APPEAL PANEL FOR THE EMPLOYING AGENCIES OF THE CHURCH

A Personnel Appeal Panel is maintained for the purpose of providing Groups to hear appeals in regard to staff grievances and disciplinary matters within the employing agencies of the Church (with the exception of the Social Care Council which has its own appeals procedures) as set out in an Appeals Procedure document which is provided by the HR Department.

Under the current processes, there should be eight members appointed by the General Assembly with the Solicitor of the Church as Secretary. Members may not include any former or current members of staff of any of the Church's Employing Agencies (including the Social Care Council), nor any current Forum or Committee member. When required, the Solicitor selects three members from the Panel to serve on an Appeal Group. The Group then agrees which of them is to convene the hearing.

Although Groups are infrequently required, a review of procedures has led to the view: (i) that there would be more flexibility – especially within constrained timescales – for the Panel to be increased to twelve; (ii) that there should be a limit on the term of service to four years, with the option of appointment for a further four year term; and (iii) that power should be given to the Convener and Vice Convener of the Nomination Committee to approve the co-option of individuals to the Panel as would be agreed with the Solicitor, as Secretary to the Group.

## 22. THE TRUSTEES

In 2020 our trusteeship maintained the skillsets and some of the diversity which the Constitution and Remit requires. The elected trustees currently comprise a gender balanced board. When the *ex officio* trustees are included, there are four ministers of word and sacrament (one retired, one Presbytery Clerk, one Parish Minister and one professor of Christian Dogmatics), an ICT and governance specialist, a professor of economics, a strategic HR specialist, an architect, a leading executive in a professional body, a retired

Regional Council chief executive, a group finance director, a former executive chairman, one charity and trust lawyer and one with significant parliamentary experience. In May 2021 we will welcome three new trustees upon the scheduled retirements of original trustees whose terms of appointment are non-renewable. All are active members of Congregations and most are elders. Many have significant third sector experience. We are also geographically spread with representation from Strontian, Garelochhead, Glasgow (2), Motherwell, East Lothian, Edinburgh (3), Dunfermline, Glenrothes, Perthshire, Aberdeen (2)

We were saddened to lose one of our younger members, Jamie Lockhart, who resigned in September 2020 as pressure of work was preventing him from keeping up with the Trustees' schedule. Following an open appointment process, Philip Ziegler, an ordained minister associated with the Kirk Session of the Cathedral Church of St Machar's and Professor of Christian Dogmatics at the University of Aberdeen was appointed. His many years' experience in ecumenical and theological education for ministry in the Kirk and before that in the United Church of Canada will be a considerable asset.

We were delighted that David Harrison felt able to offer his services as our new Vice-Convener in succession to Norma Rolls. Norma's assiduous connection with the work of the Trustees together with her wealth of knowledge of the workings of many parts of the Church has made an inestimable contribution to the ability of the Trustees to engage in the practical attainment of such wide-ranging reforms as were called for by General Assembly 2019.

## 23. TRUSTEE INFORMATION

Trustee information as at 11 March 2021

Trustee	Meetings	Attended	Special reasons
Beth Ashcroft	10	9	Conflicting appointment which had to take precedence.
Anikó Schütz Bradwell	10	10	
Alan Campbell	10	10	
John Chalmers, <i>Convener</i>	10	10	
Jean Couper	10	10	
David Harrison	10	10	
Linda Irvine	10	10	
James McNeill, <i>Administrative Trustee</i>	10	10	
Geoff Miller	10	10	
Ann Nelson	10	10	
Norma Rolls, <i>Vice-convener</i>	10	10	
Philip Ziegler ( <i>from December 2020</i> )	5	5	
Donald McCorkindale, <i>Convener, Assembly Business Committee (by virtue of office)</i>	10	10	
Raymond Young, <i>Chair of the General Trustees (by virtue of office)</i>	10	9	General Trustees business

## 24. CHIEF OFFICER'S REPORT

This is the second report of the Chief Officer to the General Assembly and provides an overview of work conducted from October 2020. The Chief Officer role was created following the recommendations of the 2019 Special Commission. The post holds overall executive responsibility for the employees and work of the Central Services Committee (CSC), for the budgets of the Unincorporated Entities and is charged with implementing the vision of a leaner and fitter central administration that is focused on the needs of the local Church. This requires the National Offices to have a clear

focus on equipping and supporting the Presbyteries and Congregations, wherever possible devolving responsibility. Whilst the role of the Chief Officer and his team has a strong focus on finance, accountability and governance requirements, we are at all times mindful that our financial decisions should be driven by priorities for our missional work – we do not exist to preserve our balance sheet.

Over the last year, the work of the Chief Officer and Staff has been heavily focused on supporting the Church through the pandemic whilst also striving to deliver a number of the

key milestones on the journey of transformational change. Recent achievements include:

- Significant advancement in the transformational change programme for the National Offices resulting in the removal of duplication, reduction in staffing numbers and the start of a much-needed journey to streamline work.
- The development of a single interactive financial and operational model to assist with setting policy, operational decision making and to gain a clearer picture of the future resources of the Church (in terms of finances, people and assets).
- Continued refinement of the Faith Action Plan and creation of the Head of Faith Action Programme post to provide leadership in the roll out of the plan whilst optimising the use of resources across the two Forums.
- A 30% target reduction (£6.6 m) in expenditure within the National Offices. This target, baselined against the 2019 budget, was achieved ahead of time, and met the savings targets laid down by the Special Commission.
- The development of an accountability framework complemented by the introduction of a values-based culture within the National Offices.
- The formation of a Research and Analysis Unit, assembled from existing resources, encouraging the move towards well informed evidence-based decision-making processes.
- The launch of projects across the Church including the Listening Project, targeted at gaining an understanding of what the Church has learned from the response to Covid-19.
- The introduction of an Equality, Diversity and Inclusion Programme which is intended to become an embedded part of the life of the Church.

## 25. FINANCES

One of the principal tasks of the Chief Officer was to progress towards a sustainable financial framework for the Church. This has been underpinned in the initial phase of work by achieving significant cost savings to the national budget by May 2021 well ahead of previously defined schedules. Savings have been progressed by implementing stringent control over budgetary spend including moving towards a zero-based budget process, a Voluntary Exit Scheme to facilitate reductions in staffing levels and a reprioritisation exercise with all programmes and projects examined. This has not been an easy task and areas of work, held dear by many, have had to be set aside. Further areas for savings measures are being progressed with all areas being kept under review via the accountability process.

The deeper savings required for the sustainability of the Church cannot however be found from the National Administration alone. The baseline, worked out for minimum operating viability in terms of people and finances required within the National Offices whilst retaining the character of the Church in terms of national and international work, has almost been reached. More radical changes are likely therefore to be needed as the short and longer-term financial impact of Covid-19 will, almost inevitably, exacerbate the already fragile status of the Church's balance sheet. The congregational response to the pandemic has been outstanding in every respect, with a drop of only 3% in Ministries and Mission contributions paid in 2020; but the underlying financial position is very worrying as local reserves are depleting and the Chief Officer and General Treasurer are directly aware of signs of financial distress across many Congregations.

The future financial sustainability of the local church is one that is a constant focus of activities for the Chief Officer and General Treasurer and will remain so over the forthcoming

year. Details of the 2020 results and 2021 budget can be found later within this report.

## 26. OPERATIONAL FUNCTION OF THE CENTRAL CHURCH AND RESPONSE TO COVID-19

In the period since the Chief Officer was appointed the importance of the six Operational functions of the central Church (Human Resources, Finance, Legal, Communications, Estates, Information Technology) in the transformation of the Church has become very clear. The Church is very fortunate to have access to a highly skilled and experienced workforce which has not been shown due appreciation in the past. This team is entirely focused on providing the necessary services and infrastructure to enable the defined work and supporting arrangements required by the two Forums and the local church. In order for Presbyteries and Congregations to make initial contact with the relevant departments, a clear, concise capability statement and directory of services has been produced <https://churchofscotland.org.uk/69794>.

Work has continued on the development of the operational plan for the delivery of the support service elements of the National Office. This will continue to be refined over the forthcoming period as the new structures within the National Office continue to embed. As recommended by the 2019 Special Commission report, a Research and Analysis Unit has been established by drawing together existing staff from across the organisation. Within the last few months major benefits have arisen from our use of data and statistical analysis to help inform decision making including the development of the financial model. Work is ongoing regarding data quality standards within the Church as this is increasingly being identified as a significant issue, particularly as the Church is becoming more evidence-focused regarding future financial projections.

The Central Services Committee and Principal Clerk's Office have continued to produce updated advice to Presbyteries and Congregations as legislation and recommended practice in relation to Covid-19 develops over time. Limited use of furlough arrangements has continued to be utilised by the CSC, principally in a part-time capacity in order to support staff with their caring arrangements.

The George Street building and satellite offices remain closed with controlled access into the building by prior agreement enabled to meet operational needs. At the time of writing, whilst a state of readiness to return to the building has been substantially achieved, it is not possible to forecast when the building will be able to reopen as the timescale relies on the progression of the pandemic and subsequent decisions at Government level. With the Church's reliance on its IT infrastructure, the IT Programme Board, comprising a multidisciplinary approach with Stakeholders represented including Ministers and Presbyteries Clerks, meets on a monthly basis to ensure the scope and roll-out of IT aligns to the needs of the users.

## 27. WORKING IN PARTNERSHIP WITH THE NEW PRESBYTERY STRUCTURES

Undoubtedly one of the largest challenges currently being experienced by the Church, alongside operating within a pandemic is the creation of new Presbytery structures at the same time as revised Presbytery Plans are being produced. There are many changes ongoing in parallel that require co-ordination. Whilst the reforms of Presbytery are held in the remit of the Principal Clerk, Assembly Business Committee and Presbyteries themselves, close liaison is continuing between staff in the National Offices and Presbyteries regarding funding requirements and staffing structures moving forward. It is evident that there is no 'one size will fit all' solution in terms of funding arrangements and work will continue over the forthcoming months in order to establish appropriate financial arrangements. Close working with and

understanding of the needs of the Presbyteries is critical to the transformation of the National Offices resulting in significant levels of interaction and communication over the period.

## **28. LOCAL CONGREGATIONAL FINANCES AND SUPPORT FROM THE NATIONAL OFFICES**

In recent months a number of local churches and Presbyteries have contacted the Chief Officer and General Treasurer directly to report serious financial challenges. In response, the Chief Officer has put together a task group comprised of individuals from across the relevant National Offices staff, including the Stewardship and Finance and Law departments, to work alongside Presbyteries and each of these Congregations in order to identify how such challenges can be met. This work is beginning in the first quarter of 2021.

## **29. COMMUNICATIONS ACROSS THE CHURCH**

The Chief Officer has continued to give communications a high priority recognising the need to both listen to and learn from his interactions with the National Offices staff and the local church. Regular sessions with staff via MSTeams, weekly communications through the Core Management Team and blogs on the Chief Officer's intranet page have continued. The Chief Officer and Core Management Team have taken part in a number of interactive sessions with Office Holders, Congregations and Presbyteries. The aim is to form ever closer links to the needs and work of the local church through close contact with the Office of the General Assembly, the General Trustees, Presbyteries and Kirk Sessions. The Chief Officer has also ensured that he has time to both listen to and talk to Ministers, Presbytery Clerks and representatives across the church aiming to speak directly to anyone who contacts him. This has been hugely helpful in understanding the local needs whilst improving both accessibility and networking.

The Chief Officer is clear that working with the youth and young adults within the Church must be one of our highest priorities and that their voices must be heard as we continue with our transformational journey. Over the period he has gained a personal understanding of the issues by working with a focus group who have volunteered their skills, experiences and time. The goals which the group are developing will be fed into part of an intergenerational strategy which is to be developed to complement the work of the Forums. These goals and a brief overview of this groups work to date can be found here <https://churchofscotland.org.uk/79854>.

## **30. FAITH ACTION PLAN AND THE APPOINTMENT OF A HEAD OF FAITH ACTION PROGRAMME**

Work has continued on the development of the Faith Action Plan, as agreed at GA 2020, which is both rooted in theology and underpinned by the five marks of mission. One of the key requirements identified by the Chief Officer in ensuring delivery of the plan is the creation of the Head of Faith Action Programme, a new role based on Christian Leadership which was agreed by the Assembly Trustees and nationally advertised in January 2021. The post holder will ensure an integrated and coherent programme of work across the Faith Nurture and Faith Impact Forums ensuring improved oversight and reduced expenditure by drawing to an end lower priority areas of work. Whilst creating this new role might seem at odds with the Church's stated aim to reduce the size of the central administration, this post replaces the four previous Council Secretaries and a deputy's role resulting in significantly reduced salary costs.

## **31. REVIEW OF EXTERNAL COMMUNICATIONS STRATEGY**

As encouraged by the 2020 General Assembly, the Head of Communications has carried out a review of the work of the Communications Department. Alongside this, the IT and Communications Task Group examined a number of other communications areas. The Chief Officer was involved on both accounts and the findings and conclusions can be found <https://churchofscotland.org.uk/79854>. We appreciate that the complexity of increased communications in the Covid-19 environment has found us more reliant on the use of electronic means and we must hold on to the benefits going forward and retain paper based publications only where they prove to be relevant. We appreciate the immense input from all involved in communicating the messages of the church during the past year and our wish is that by creating a Communications Strategy Board, whose remit will be guided by the Communications Strategy which is currently being developed, we can focus on what matters most while continuing to produce high quality, effective messages in perhaps a more efficient way.

## **32. EQUALITY, DIVERSITY AND INCLUSION GROUP**

The Trustees have established an Equality, Diversity and Inclusion (EDI) Group that is comprised of a number of stakeholders from across the Church of Scotland and beyond and who were selected from a wide group of applicants. One working group has already been established looking at issues of race, and the EDI group in addition to this will address the wider range of equality, diversity and inclusion matters that the Church should be bearing in mind. This is due to report to GA 2022. An initial membership has been brought together with assistance from the Nomination Committee. The Trustees and the initial members are discussing the appropriate terms of the remit for the Group and the Trustees will report on this and on the work of the Group to General Assembly 2022.

## **33. THE LISTENING PROJECT**

In August 2020, an internal research group began an exploration of ways in capturing and sharing experiences of faith and church during the pandemic from amongst our communities. In order to complement other research among Scottish and UK churches, a wide variety of participants were invited to share their experiences and perspectives in their own words. They come from across generations, in different geographical regions, from those with internet access and those without and from people who engaged with the Church in different ways, including those who had only occasional or fringe involvement before the pandemic.

The project opened to contributions in early November 2020. Participants shared their contributions via an online form or by telephone. The project was promoted across a variety of networks within the Church. By early February, 225 people had participated, all target groups had been reached and no new discernible patterns in terms of insights were emerging. The project was then closed to further contributions. A team of volunteers was trained in analysis techniques and, under the supervision of experienced researchers, every contribution was scrutinised by at least three people in order for common themes to be identified. A specialist software package enabled the cross-referencing of all themes with the demographic details of participants. The project 'headlines' are now available <https://churchofscotland.org.uk/79854> with the full report shortly to be released. Commissioners are asked to take time to digest these findings and hear the voices of people from across the Church, as they have reflected on this time of crisis.

## **34. FORTHCOMING WORK OF THE CHIEF OFFICER**

There is little question that considerable challenges are going to present over the forthcoming twelve months.



Alongside continued work around the impacts of Covid-19 the focus of the Chief Officer will be:

- **Staff:** Maintain our focus on staff health, safety, welfare, communications and development.
- **Congregational sustainability** – focus our resources on helping to address the local financial challenges, close working with Presbyteries who have responsibility, support to Priority Areas programme.
- **Continued focus of National Office staff support to meet local need** – consult with Presbyteries and Congregations. Pilot funding scheme in the absence of Growth Fund (2021 focus will be primarily on small projects arising from Covid-19).
- **Local Income generation project** – Stewardship and income generation to be a top priority.
- **Recruitment to Ministry posts** – continued focus to address demographics that is aligned with new target ministry numbers in 2025. Focus on provision of inspirational leadership and continuous development.
- **Learning and development strategy** – Deployment of an integrated training programme to ensure continued ministry across Scotland.
- **Presbytery reform** – Supporting work being undertaken by Presbyteries and the Principal Clerk's Office including the delivery of new structures, frameworks, arrangements and funding models which meet the needs of the local church.
- **Establishment of a robust future framework for the overall finances** of the Church and embed the funding of new Presbyteries.
- **Delivery of our overall plan**, including the approved work of the Forums, in the most efficient and cost-effective way possible.
- **Presbytery planning** - forward plan to deliver an affordable, sustainable Church of Scotland. Revise associated Church Law that will assist reform.
- **Continued evolution of the Church's digital strategy** in order to support how Church communities flourish in the digital age.
- **Progression of our new Equality, Diversity and Inclusion programme.**

### 35. NATIONAL OFFICES BUILDINGS OPTION APPRAISAL AND BUSINESS PLAN: THE FUTURE OF 121 GEORGE STREET

The Assembly Trustees are conscious of what has become, in recent years, an annual report to the Assembly regarding the future of the George Street building. The Special Commission Report 2019 recommended that no decision on the National Offices should be taken until there is greater clarity on the future shape and needs of the central organisation of the Church and that the wider cultural impact on the organisation should be considered in this context. The Commission also recommend that steps be taken to carry out necessary repairs to ensure that the organisation can continue to function in 121 at least for the short term; and also recognised that current layouts and infrastructure present barriers to effective inter-team collaboration. As the Commission's report noted, there had been wide ranging opinions in terms of the future of the building and whilst the working party examining this issue recommenced work towards the end of 2020, it rapidly became clear that not only did the differing opinions still present but the matter had become further complicated by the pandemic.

As has been relayed throughout this report, the last 12 months have been unlike any others in respect of the levels of transformation and financial impacts experienced. In

deciding about the future of the building it is clear that the form of the National Offices, in terms of location, size and layout, should follow the functions to be provided. A year on, as the pandemic continues, the National Offices have adapted to remote working with increased use of technology and less reliance on physical processes and systems. Whilst the future is uncertain in terms of demands on physical office space, what is evident is that, with reduced staff numbers and new ways of working, including at a regional level, the National Offices' needs in terms of the nature and physical requirements of the space will again need significant revision.

The pandemic has also, and will continue, to impact on the property market. The overall impact of the changes on the commercial property market are still to emerge as occupiers seek to rationalise and release surplus space. It is anticipated that this structural change will feed through to rents, values of alternative property and also to the underlying value of the National Offices building itself, with higher value alternative uses such as the hotel sector also undergoing significant changes as a result of the pandemic.

The Assembly Trustees are therefore recommending that, with the current pressures on the Church in respect of people, finances and resources, this is not an appropriate time to determine the future use or disposal of 121 George Street. Therefore, agreement is sought from the Assembly to defer this matter for at least 2 years with work being bought back to the Assembly of 2023, on the future operational and staffing structure for the National Offices when, God willing, the pandemic crisis will have passed and the Church is beginning to stabilise with a new financial picture and resources allocated across the revised Presbytery structure.

In the meantime, significant work is going to have to be initiated on the George Street building to ensure the building remains safe and to facilitate the organisational and cultural changes underway. The cyclical review process has led to underinvestment in the building fabric and infrastructure, which needs urgent attention, even if the decision is ultimately made to dispose of the building. Whilst the Assembly Trustees understand the Assembly's potential frustration in this matter, unfortunately as those charged with the stewardship of resources this is the only viable option to take under the current circumstances.

## FINANCE

### 36. Introduction

The Trustees give thanks for the faithful commitment of Church members and adherents in continuing to support the Church's work with their offerings during the most challenging and difficult of years. Particular appreciation is owed to all those treasurers, other office bearers and supporters of the Church who have gone to great lengths to set up digital giving facilities, collect freewill envelopes and innovate with new fundraising ideas.

The response from congregations asked to maintain, wherever possible, contributions to Ministries and Mission (M&M) has been truly remarkable. This, along with the mitigating actions taken by the National Church, has allowed the continuation of payment of all essential stipend, salary costs and other fixed costs during 2020. The outcome for the whole Church could have been far more serious without these collective efforts which have involved sacrifice on the part of our members and supporters as well as our beneficiaries. We are extremely grateful that 95% of M&M requirements for 2020 were paid by 31 December 2020. This compares with 98% paid in the previous year.

Prior to the Pandemic, the underlying trend for congregational income continued to be downwards. The latest congregational statistics for 2019 once again indicated a reduction in offerings and overall ordinary income. This trend, however, has to be viewed in the light of our decreasing membership.

The Stewardship team has been on hand to assist congregations during the Pandemic and has provided advice and resources on ways to maintain income. Their full report can be found overleaf at section 43.

### 37. Ministries and Mission Contributions

Congregational contributions fund Parish Ministries, the work programmes of the Forums, and the work of the departments which support Congregations and Presbyteries and National work. Each Congregation contributes according to its income. Those with the greatest financial resources contribute most and those with the smallest financial resources contribute least. In this way, the Church of Scotland is a sharing Church where each supports the other according to its means. This redistribution of contributions enables us to continue a territorial ministry throughout Scotland, an objective most recently re-affirmed by the General Assembly of 2010.

The current M&M system allows contributions to be increased in order to fund work or decreased should costs decrease, such as in those years when ministry numbers were falling. Recognising the financial challenges faced by congregations, the contribution level was held at between £46 million and £46.5 million over the five years to 2020, with the then Councils running annual deficits to fund some work programmes. The Presbytery discretionary 5% allowance has remained in place over this period, allowing Presbyteries to use the allowance according to local need and to assist congregations with paying shortfalls in their M&M contributions.

In the Trustees' Report to the General Assembly of 2020, we acknowledged that some congregations would be using reserves to continue to make their contributions and that this would affect their ability to meet a similar aggregate amount in 2021. The General Assembly approved an 18% reduction in aggregate contributions for 2021 to £38.172 million.

In 2019, aggregate offerings decreased once again by around 0.5%. The 2020 equivalents will be reported in the Trustees' Supplementary Report, offering a clearer picture of the impact of the Pandemic on congregations' income.

By 31 December 2020, congregations had remitted £41,444,985 in Ministries and Mission contributions for 2020, which was 95% of the total. In accordance with the Regulations, amounts for 2020 which remain outstanding will be deducted from the allowance available to Presbyteries. It is hoped that this will allow Presbyteries to engage with congregations and offer assistance where appropriate. Where there is sharing of information and resources between congregations and Presbyteries, there is likely to be more success in navigating the current and very difficult financial circumstances.

The Trustees wish to record their sincere thanks to all congregations making their 2020 Ministries and Mission contributions monthly by standing order and to all congregations which met their contributions in full by 31 December 2020.

Comparative returns for recent years are as follows:

Year	Total to be Contributed £'000	Total received by 31 December £'000	%
2016	44,264	43,700	98.7
2017	43,969	43,300	98.5
2018	43,387	42,825	98.7
2019	43,917	43,187	98.3
2020	43,648	41,445	94.9

As is customary, due to the timing of printing deadlines, the proposed total Ministries and Mission contributions and

indicative budget proposals for 2022 will be presented in a Supplementary Report.

## NATIONAL BUDGETS

### 38. 2020 Results

The unaudited operating result for the Unincorporated Entities in financial year 2020 was a deficit of £924,000 compared to the budget deficit of £1,856,000. This excludes gains on sale of heritable property and investments, and unrealised losses on investments. The deficits over the previous 5 years have totalled some £14m.

Forums, committees and departments worked with the Chief Officer to curtail expenditure to the absolute minimum and prioritised their programme spend including grant payments to partners. There were also savings as a result of the Covid-19 restrictions on the General Assembly itself and on travel and other costs. Government grants of £1.3 million were received through the Job Retention Scheme and CSC staff numbers reduced through natural attrition and a Voluntary Exit Scheme.

These mitigating actions preserved, to a large extent, the reserves available to meet further financial effects of the Pandemic.

### 39. 2021 Budget

Some of the budget savings from 2020, such as on staff posts, are carried over into 2021. In addition, as outlined in October, a cost saving of £4 million was sought on the programmatic work of the Forums. In October the draw on reserves in 2021 was estimated at a minimum of £6.88 million. The Forums submitted new bids for work they wished to carry out and while the Faith Nurture Forum was able to meet the target expenditure, the Trustees agreed to some additional expenditure by Faith Impact, where the work foregone was considered to have a serious negative impact. This was conditional on the Forum bringing forward a plan for future spending priorities, particularly from its restricted funds.

CrossReach had an assumed break-even budget other than for pension deficit repair payments, but with the continuation of the Pandemic and the financial challenges it faced in its care services, its final budget including significant contingency for Covid-19 related costs, was a deficit of £2 million before past service pension deficit repair contributions. It is anticipated that CrossReach will not return to a balanced financial position until 2023. These factors, together with a further down grading in the budget of investment income, stipend endowment income and an allowance for Presbytery start-up funding, brought the final budget deficit to £11.4 million.

### 40. MISSION AND RENEWAL FUND

The fund is the only entirely unrestricted fund available for any purpose. Following ongoing efforts to review and reorganise the funds of the Forums (former Councils) the balance on the Fund at 31 December 2020 was £9.2 million. This will be required to support the £11.4million deficit in 2021.

## PENSIONS

### 41. Defined Benefit Pensions

Early in 2021 the Pension Trustees reported that the CrossReach section of the Church of Scotland Pension Scheme for Staff was almost fully funded. Following discussion CrossReach signed a new Schedule of Contributions effective from February 2021, allowing deficit repair contributions to cease.

### 42. Defined Contribution Schemes

The Group Personal Pensions Governance Group continued to meet during 2020, reviewing Legal and General's

performance reports; service provision and developments including on Ethical Social and Governance (ESG) issues.

The Assembly Trustees have agreed that the provisions of the Plan should be extended to allow employees of the Presbyteries to participate.

### 43. STEWARDSHIP

Stewardship touches all aspects of our lives. This holistic perspective underpins the Church's national stewardship function as it encourages, supports and equips congregations and individuals to be more effective and purposeful in all aspects of stewardship. This is not a departure from focussing on the stewardship of money. Rather, this whole-of-life approach to Christian stewardship calls for a deeper and more meaningful response to God through our giving in every aspect of our lives as followers of Jesus.

### 44. Current Context

The current context is certainly challenging. Whilst the work of the Church has continued in many new and imaginative ways, the restrictions on gatherings and programmes have impacted significantly on participation and income. Whilst income from offerings may have held up in some congregations, this is not the experience everywhere. Other income, from example from hall lets, has taken a particular hit. For many of our congregations, the situation is threatening sustainability.

### 45. Initiatives

The National Stewardship team has been working on a range of initiatives to help the Church over this period and into the future, offering practical advice and support, encouraging new methods of giving, developing engaging and accessible resources and utilising various platforms to communicate more effectively. Congregations are encouraged to consider the following developments at this time:

- **A Time of Offering**

Online weekly services of worship have enabled a continued sense of being together, regularly drawing larger 'congregations' than might normally be present in church on a Sunday. The inclusion of a time of Offering in such services helps demonstrate the significance of giving back to God as a part of our worship, even when we cannot be in church to place our offerings in the plate. We would encourage the inclusion of such a time in all online services of worship, just as we would expect to share in a time of Offering if we were together in church.

- **Contactless Giving**

As buildings reopen over time, and the handling of cash decreases, the team will be helping congregations to invest in the best contactless options for them. Whilst we are not recommending suppliers, up-to-date information is available on a range of providers and systems.

At the time of writing, the Presbytery of Edinburgh is piloting two contactless options within a number of its congregations. The Stewardship team is actively supporting the Presbytery, in the knowledge that this process will help inform future initiatives by other Presbyteries and congregations.

The team can support congregations in adopting a range of other methods of giving which include donate buttons, QR codes, giving apps and text giving. For congregations not currently in a position to set up their own contactless giving facility, the donate button on the Church's national website can be used by donors to direct gifts to specific congregations. Of course, the trusty Standing Order remains the most effective and efficient tool for maintaining regular giving, and its use is encouraged wherever possible.

- **National Gift Day**

A church-wide National Gift Day is to take place over Harvest time in 2021. It is envisaged that this initiative will provide people with an opportunity to offer gifts of thanksgiving to God for being with us and sustaining us through these challenging times. The monetary gifts received through this Gift Day will remain with congregations and will not be assessable for Ministries and Mission purposes in light of the challenging financial circumstances faced by our Congregations over the last year. It is envisaged that these additional monetary gifts will help Congregations offset deficits, finance specific work or get a new project off the ground. Resources to support this church-wide initiative will be made available online in the coming weeks.

- **Legacy Giving**

Legacy giving is a sensitive matter, but we should not avoid inviting church members and supporters to consider leaving a gift to the Church, whether that is directed towards a specific congregation or to the general funds or specific work of the National Church. Kirk Sessions are encouraged to determine and make known their own policies in relation to the use of such gifts. Resources to support legacy giving are available from the Stewardship team.

- **Fundraising and Income Generation**

Normal fundraising activities have been curtailed to a great extent. At this time, Kirk Sessions are encouraged to re-assess their usage of halls in preparation for the future: to take stock and to reimagine what their congregation could be moving forward. The Stewardship team has engaged with different specialists and organisations over the last year to aid its thinking, including an income generation specialist from the Church of England's Diocese of Leeds, the Cinnamon Network and the HeartEdge movement.

- **External Grants and Funding**

The team maintains a list of potential sources of grants and funding which can be accessed via the Church's website here: <https://www.churchofscotland.org.uk/resources/covid-19-coronavirus-advice/covid-19-funding>.

It is acknowledged that many Congregations would benefit from expert input to ensure that grant applications are as effective as possible, and this has now been addressed by the appointment of a dedicated Grants Officer based within the Office of Assembly Trustees.

### 46. Key Resource - A Narrative of Generosity

*A Narrative of Generosity* is a flexible resource developed to encourage individuals and Congregations to engage with stewardship in all aspects of a life of faith. Using twelve themes, it encourages the sharing of stories to prompt a more intentional and joyful approach to stewardship. Prompted by the *Narrative* resources, stories are shared, new ideas and insights reflected upon and actions agreed.

Work is progressing on expanding the *Narrative* to encourage engagement with children and young people on each of the twelve stewardship themes. Furthermore, the team has been finalising a new personal giving resource sitting within the *Narrative* called *Joyful Generosity*.

These resources are adaptable for online use.

In line with previous instructions of the General Assembly on the important place of stewardship within the Church, we would urge all congregations to engage with the National Stewardship Programme, using the *Narrative of Generosity* resource to embrace a whole life of stewardship.

#### 47. The Stewardship Team

The Stewardship team currently consists of four consultants who bring a wide experience of the church and of stewardship practice. Contact details and outline resources can be found on the Church's website here: <https://www.churchofscotland.org.uk/resources/stewardship>. You may also follow this area of work on the 'Church of Scotland Stewardship' Facebook page.

#### 48. Stewardship Support Network

An informal support network of sixteen ministers from different locations and contexts was formed in October 2020 to provide a sounding board for the stewardship team. This arrangement is proving to be extremely helpful, and the team is grateful to the network members for their willingness to be involved in this important work.

#### 49. STAFFING CHANGES WITHIN THE STEWARDSHIP AND FINANCE DEPARTMENT

##### Depute Treasurer posts

Both Depute Treasurer roles have been made vacant within the last year with new appointments to these posts.

Following Bob Cowan's departure, Gillian Elizabeth Coghlan was appointed as Depute Treasurer, Unincorporated Entities, on 15 October 2020. This role includes responsibilities for discharging legacies, bequests or donations on behalf of the Church of Scotland and this report includes a section of deliverance conferring the appropriate authority of Office.

#### 51. CONGREGATIONAL STATISTICS 2019<sup>[7]</sup>

##### Overview

This is the first year that data collection has been overseen by the Church of Scotland's Church Statistician and will over the forthcoming years be undergoing revision and improvements in terms of data capture and reporting methods. Information pertaining to 2019 is found below. Results for 2020 can be found in the Supplementary report.<sup>[8]</sup>

As of December 2019, there were 312,204 members of the Church of Scotland, a fall of 4% from 2018, and 32% from 2009. Increase in professions of faith, adult baptism, children receiving communion were all noted.

##### *Church-level membership and participation, 2019*

Congregations within the Church of Scotland come in various sizes from large city congregations to small rural or island communities. Table 1 shows the reported participation at the smallest 5% and 25% of churches, the median (i.e. middle) church, the largest 25% and 5% of churches (i.e. 75<sup>th</sup> and 95<sup>th</sup> percentile), and the mean (average) church. A few large congregations can result in a larger mean value that may not represent the overall data well – a "typical" church may be better described by the median value.

	5 <sup>th</sup> percentile	25 <sup>th</sup> percentile	Median (middle) church	75 <sup>th</sup> percentile	95 <sup>th</sup> percentile	Mean (average) church
<b>Members</b>	28	100	194	324	582	237
<b>Adherents</b>	0	1	10	40	137	32
<b>Weekly attendance</b>	0	30	55	85	175	66
<b>Average Age</b>	45.7	55.9	61.5	67.0	72.9	60.6
<b>Professions of Faith</b>	0	0	0	0	4	1
<b>Children</b>	0	1	10	40	137	32
<b>Children receiving Communion</b>	0	0	0	1	12	2
<b>Elders</b>	4	9	17	29	56	22
<b>Baptisms</b>	0	0	1	2	6	2
<b>Weddings</b>	0	0	1	2	6	1
<b>Funerals</b>	0	4	10	18	35	13

Table 1: Church participation summary, 2019

Leanne Thompson was subsequently appointed as Depute Treasurer, Wider Church and Statutory Corporations, following the departure of Archie McDowall.

#### Archie McDowall

Archie McDowall joined the Stewardship and Finance department in 2006 having worked as a manager in public practice. Archie brought his professional skills and a depth of perception and wisdom to his role as Depute Treasurer, Congregational Finance. As well as his outward facing role where he was well known and respected by so many in the Church, he contributed to several working groups and new initiatives and the development of the Stewardship and Finance department where he was a huge support to colleagues. Following the creation of OSCR, the Scottish Charity Regulator, in 2008, Archie was responsible for ensuring much of the good financial governance standards we now see in the wider Church. Archie left the Church in October 2020, relocating to the south of England.

#### 50. LEGAL QUESTIONS COMMITTEE

##### Remit

The Legal Questions Committee has reviewed the current terms of its remit and has concluded that they should be updated and clarified. The remit now proposed is set out in Appendix 3 and the Trustees are happy to support this change. Accordingly, the Trustees recommend approval of the amended remit of the Legal Questions Committee as set out in Appendix 3.

The “typical”, i.e. median, congregation in 2019 has just under 200 members (194), and 10 adherents. In the median congregation there are also:

- around 55 people in worship who have an average age of 62.
- no professions of faith in 2019.
- 10 children associated with the congregation, but none receiving communion.
- 10 funerals, 1 baptism and 1 wedding.
- The congregation is led by 17 elders.

Over three-quarters of congregations welcomed no new members through Profession of Faith, only 24% welcoming any new members in this way. 38% of congregations welcomed new members through certificates, and 32% through resolution of the Kirk Session. Children received Communion in 26% of congregations.

*Persons and Agencies in Scotland for 2019*

(cf Appendix II of the Reports of the Council of Assembly, 2019)

The membership statistics may be stated thus:

	Removals by Death	9,655	
Less	Admissions by Profession	<u>963</u>	8,692
	Removals by Certificate	1,906	
Less	Admissions by Certificate	<u>1,409</u>	497
	Other Removals	5,194	
Less	Restoration	<u>1,214</u>	3,980
	Total decrease		13,169

And shown graphically in Figure 1, below.

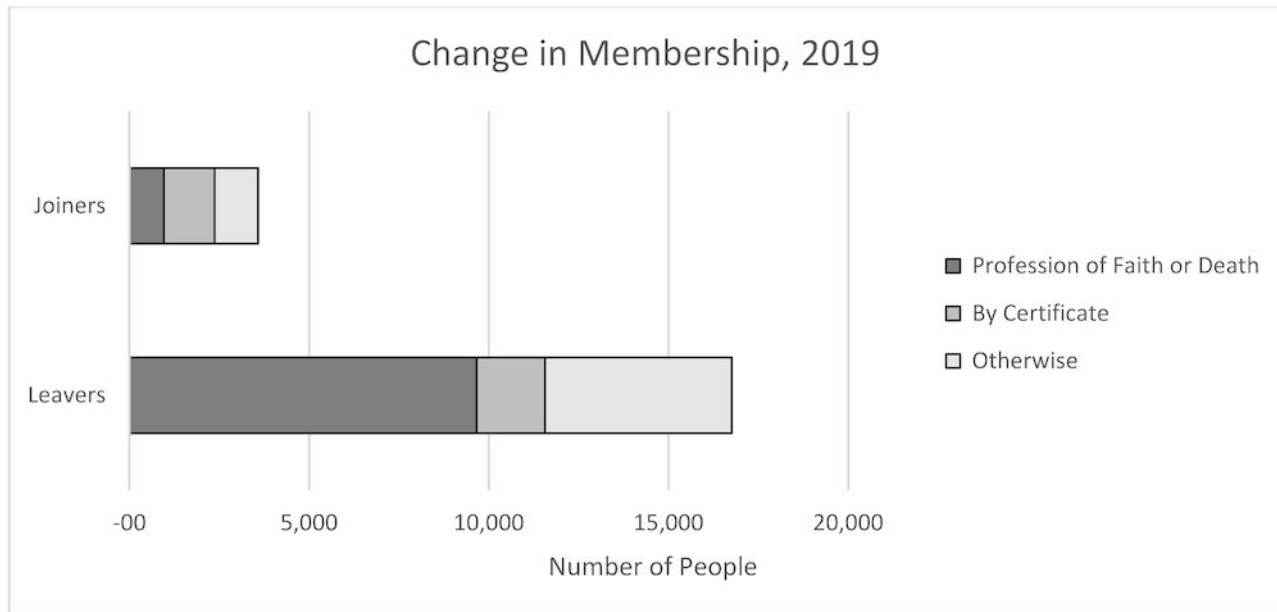
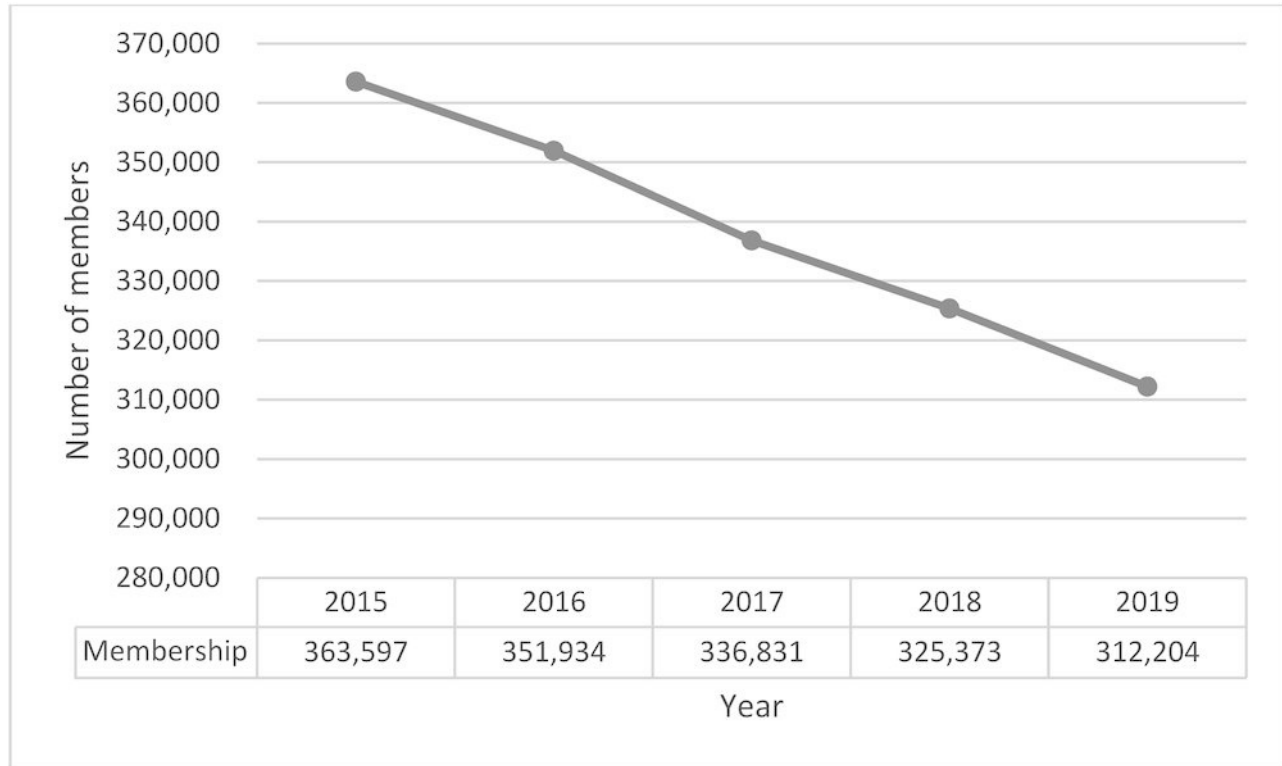


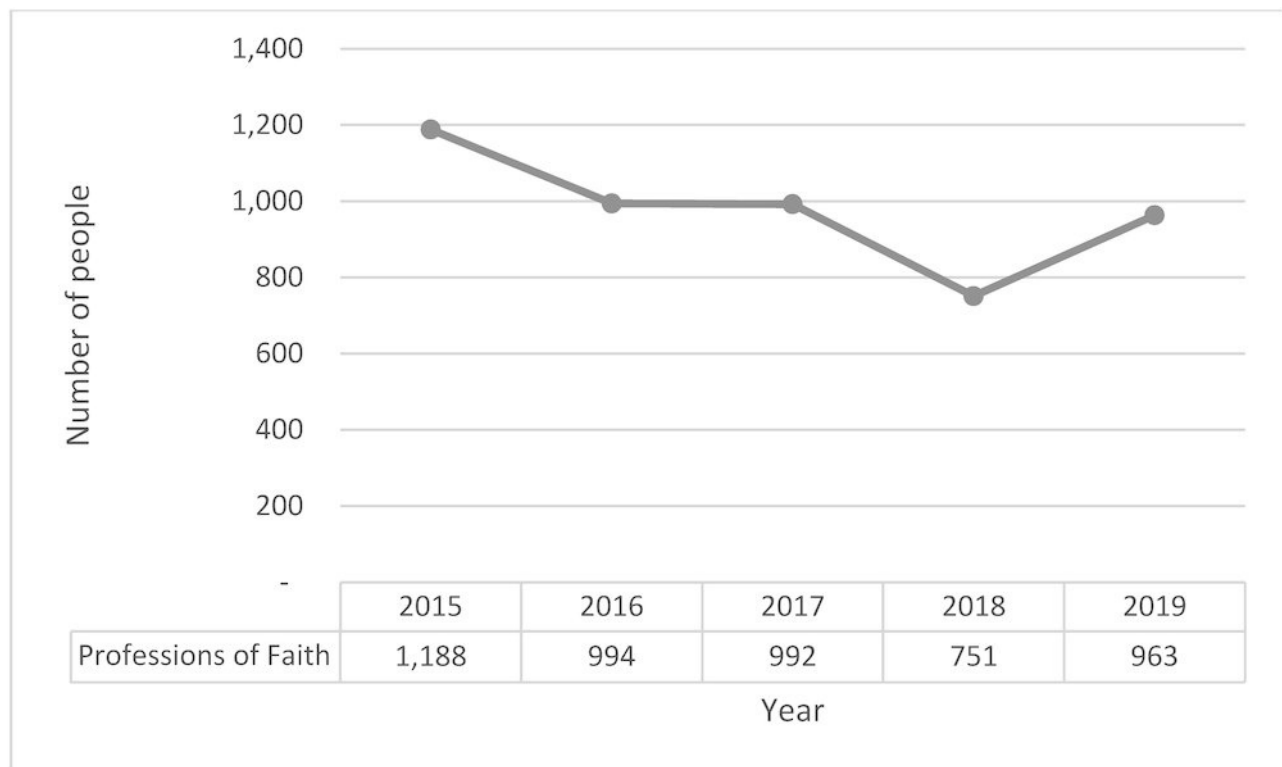
Figure 1 Leavers and Joiners in 2019

**Comparative Graphs**

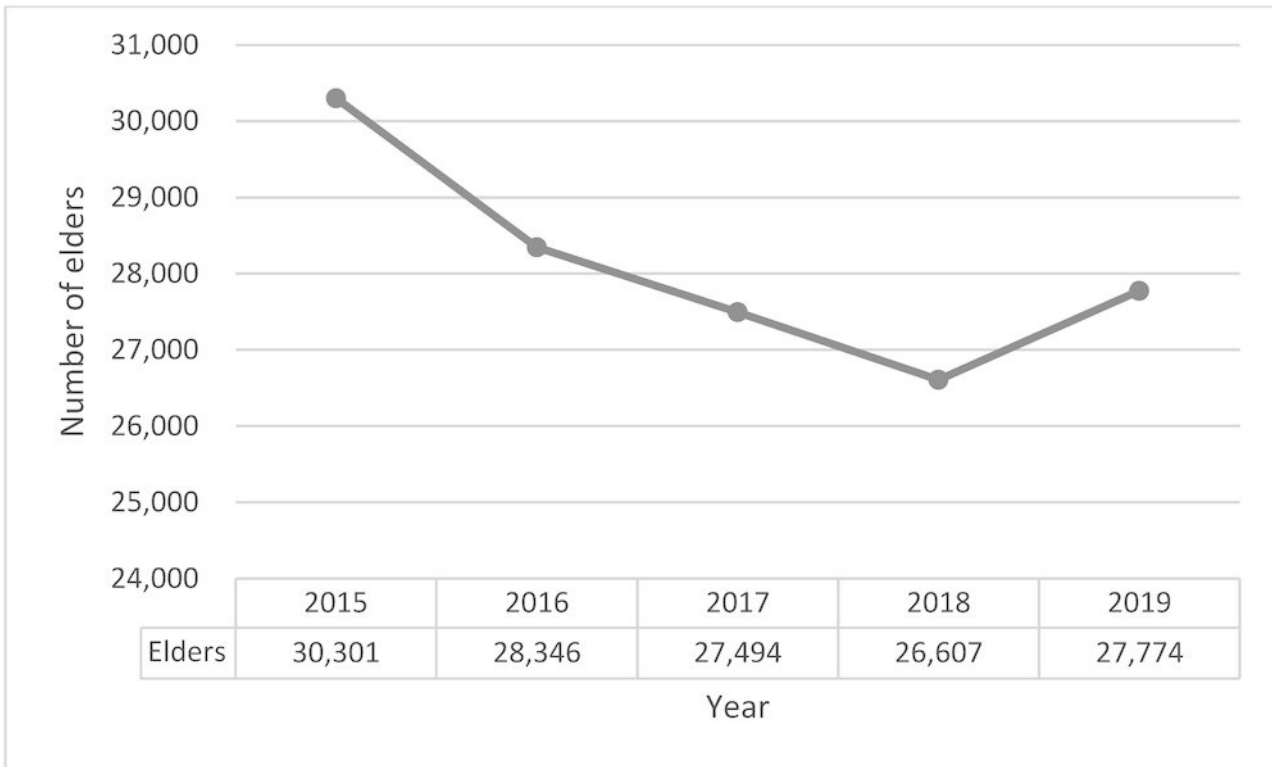
Membership



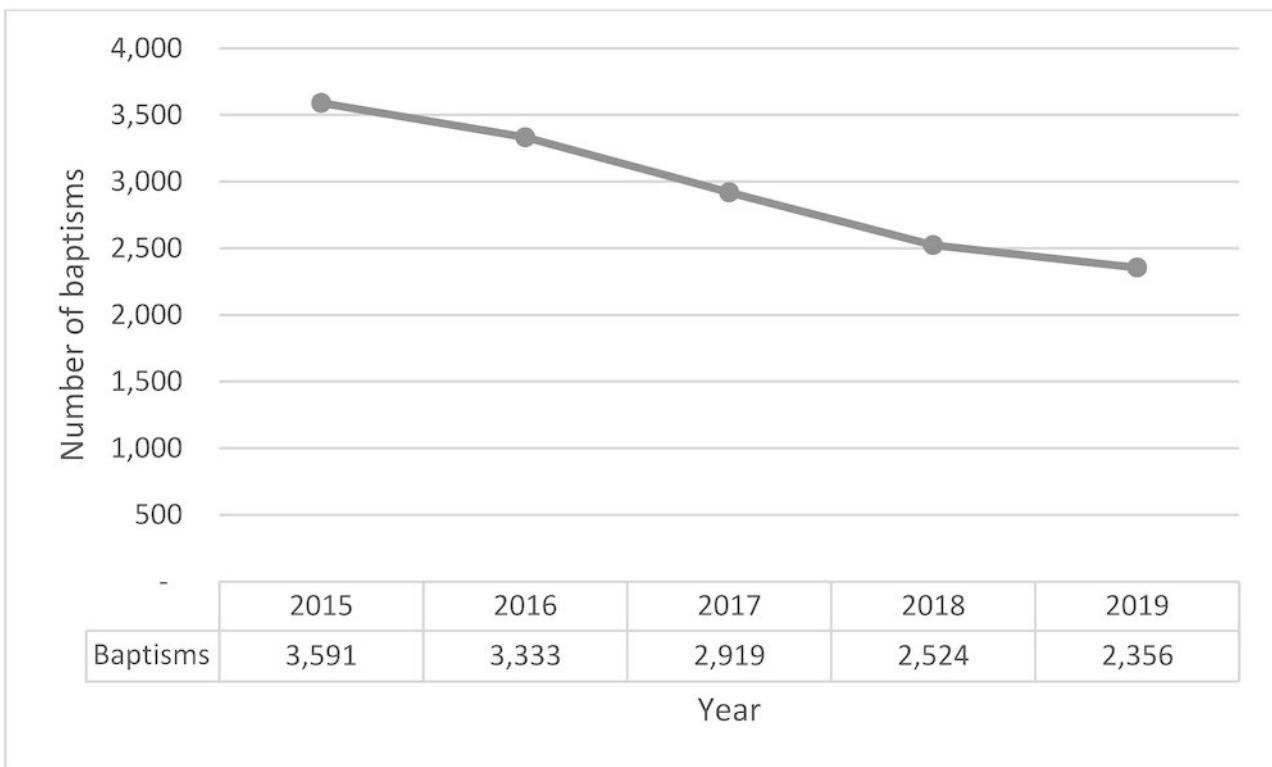
Professions of Faith



Elders



Baptisms



**Presbytery Data***Reporting*

<b>Presbyteries</b>	<b>Membership as at 31<sup>st</sup> Dec 2018</b>	<b>Admissions</b>	<b>Removals</b>	<b>Membership as at 31<sup>st</sup> Dec 2019</b>	<b>Notices of Removal</b>	<b>Supplementary Roll</b>	<b>Response Rate</b>
EDINBURGH	20,950	326	971	<b>20,305</b>	56	1,214	100%
WEST LOTHIAN	7,593	62	456	<b>7,199</b>	7	1,321	100%
LOTHIAN	11,386	141	698	<b>10,829</b>	18	1,333	100%
MELROSE AND PEEBLES	<b>5,353</b>	39	186	<b>5,206</b>	9	576	100%
DUNS	2,384	23	108	<b>2,299</b>	0	255	93%
JEDBURGH	4,814	38	196	<b>4,656</b>	4	117	100%
ANNANDALE AND ESKDALE	4,273	35	565	<b>3,743</b>	14	785	95%
DUMFRIES AND KIRKCUDBRIGHT	7,685	67	399	<b>7,353</b>	8	1,172	100%
WIGTOWN AND STRANRAER	4,375	40	239	<b>4,176</b>	19	253	100%
AYR	15,727	145	878	<b>14,994</b>	14	1,055	100%
IRVINE AND KILMARNOCK	8,009	56	166	<b>7,899</b>	2	850	<b>38%</b>
ARDROSSAN	7,348	71	403	<b>7,016</b>	28	537	100%
LANARK	5,195	52	235	<b>5,012</b>	35	1,248	100%
GREENOCK AND PAISLEY	15,711	171	849	<b>15,033</b>	34	2,006	100%
GLASGOW	27,376	481	1,544	<b>26,313</b>	33	2,855	98%
HAMILTON	20,894	216	816	<b>20,294</b>	26	3,378	100%
DUMBARTON	10,098	78	450	<b>9,726</b>	0	581	97%
ARGYLL	6,161	41	260	<b>5,942</b>	36	544	93%
FALKIRK	10,034	97	602	<b>9,529</b>	19	1,289	100%
STIRLING	11,490	124	390	<b>11,224</b>	0	928	100%
DUNFERMLINE	5,268	81	278	<b>5,071</b>	17	1,116	100%
KIRKCALDY	6,741	54	669	<b>6,126</b>	6	554	100%
ST ANDREWS	7,487	74	364	<b>7,197</b>	23	374	100%
DUNKELD AND MEIGLE	4,156	34	146	<b>4,044</b>	6	452	100%
PERTH	11,526	97	718	<b>10,905</b>	18	937	94%
DUNDEE	9,709	107	531	<b>9,285</b>	13	477	100%
ANGUS	10,766	110	564	<b>10,312</b>	19	1,482	100%
ABERDEEN	11,474	109	622	<b>10,961</b>	193	1,094	97%
KINCARDINE AND DEESIDE	6,505	40	363	<b>6,182</b>	11	947	100%
GORDON	10,886	67	437	<b>10,516</b>	12	729	100%
BUCHAN	9,226	54	545	<b>8,735</b>	13	989	97%
MORAY	6,548	53	298	<b>6,303</b>	26	534	93%
ABERNETHY	986	27	58	<b>955</b>	5	68	100%
INVERNESS	4,063	65	179	<b>3,949</b>	233	273	92%
LOCHABER	940	8	44	<b>904</b>	0	0	100%



## Reporting (continued)

Presbyteries	Membership as at 31 <sup>st</sup> Dec 2018	Admissions	Removals	Membership as at 31 <sup>st</sup> Dec 2019	Notices of Removal	Supplementary Roll	Response Rate
ROSS	1,567	45	88	<b>1,524</b>	7	213	95%
SUTHERLAND	609	6	73	<b>542</b>	11	255	100%
CAITHNESS	905	53	37	<b>921</b>	0	115	100%
LOCHCARRON-SKYE	507	5	21	<b>491</b>	3	33	<b>63%</b>
UIST	289	8	19	<b>278</b>	0	22	100%
LEWIS	832	34	31	<b>835</b>	0	0	100%
ORKNEY	2,326	17	81	<b>2,262</b>	0	188	90%
SHETLAND	923	17	57	<b>883</b>	8	207	92%
ENGLAND	1,925	12	72	<b>1,865</b>	6	629	100%
INTERNATIONAL CHARGES	2,353	106	49	<b>2,410</b>	0	189	<b>47%</b>
<b>CHURCH OF SCOTLAND</b>	<b>325,373</b>	<b>3,586</b>	<b>16,755</b>	<b>312,204</b>	<b>992</b>	<b>34,174</b>	<b>96%</b>

Table 2: Presbytery reporting

**Membership**

Presbyteries	Membership as at 31 <sup>st</sup> Dec 2019	Admissions			Removals		
		Profession of Faith	By Certificate	Restoration or Resolution	By Death	By Certificate	Otherwise
EDINBURGH	<b>20,305</b>	85	142	99	615	180	176
WEST LOTHIAN	<b>7,199</b>	19	21	22	249	26	181
LOTHIAN	<b>10,829</b>	42	57	42	365	69	264
MELROSE AND PEEBLES	<b>5,206</b>	12	23	4	140	22	24
DUNS	<b>2,299</b>	4	8	11	69	5	34
JEDBURGH	<b>4,656</b>	10	20	8	132	16	48
ANNANDALE AND ESKDALE	<b>3,743</b>	6	15	14	172	29	364
DUMFRIES AND KIRKCUDBRIGHT	<b>7,353</b>	21	27	19	263	35	101
WIGTOWN AND STRANRAER	<b>4,176</b>	4	19	17	111	23	105
AYR	<b>14,994</b>	27	75	43	456	81	341
IRVINE AND KILMARNOCK	<b>7,899</b>	14	19	23	121	20	25
ARDROSSAN	<b>7,016</b>	12	19	40	253	31	119
LANARK	<b>5,012</b>	10	28	14	166	26	43
GREENOCK AND PAISLEY	<b>15,033</b>	51	81	39	513	99	237
GLASGOW	<b>26,313</b>	181	141	159	828	248	468
HAMILTON	<b>20,294</b>	63	93	60	581	108	127
DUMBARTON	<b>9,726</b>	29	37	12	263	46	141
ARGYLL	<b>5,942</b>	5	9	27	173	23	64
FALKIRK	<b>9,529</b>	32	28	37	312	43	247
STIRLING	<b>11,224</b>	44	44	36	298	51	41
DUNFERMLINE	<b>5,071</b>	26	29	26	186	52	40
KIRKCALDY	<b>6,126</b>	6	23	25	243	37	389
ST ANDREWS	<b>7,197</b>	6	35	33	249	43	72
DUNKELD AND MEIGLE	<b>4,044</b>	3	23	8	116	12	18
PERTH	<b>10,905</b>	23	58	16	319	73	326
DUNDEE	<b>9,285</b>	17	54	36	285	95	151
ANGUS	<b>10,312</b>	28	49	33	335	66	163
ABERDEEN	<b>10,961</b>	29	46	34	395	87	140
KINCARDINE AND DEESIDE	<b>6,182</b>	7	15	18	172	23	168
GORDON	<b>10,516</b>	22	29	16	302	54	81
BUCHAN	<b>8,735</b>	13	27	14	276	45	224
MORAY	<b>6,303</b>	9	16	28	220	33	45
ABERNETHY	<b>955</b>	0	11	16	31	14	13
INVERNESS	<b>3,949</b>	21	28	16	127	24	28
LOCHABER	<b>904</b>	3	0	5	28	1	15

**Membership (continued)**

Presbyteries	Membership as at 31 <sup>st</sup> Dec 2019	Admissions			Removals		
		Profession of Faith	By Certificate	Restoration or Resolution	By Death	By Certificate	Otherwise
ROSS	<b>1,524</b>	14	25	6	45	6	37
SUTHERLAND	<b>542</b>	6	0	0	27	12	34
CAITHNESS	<b>921</b>	4	1	48	32	2	3
LOCHCARRON-SKYE	<b>491</b>	2	2	1	7	0	14
UIST	<b>278</b>	5	3	0	13	3	3
LEWIS	<b>835</b>	24	10	0	17	11	3
ORKNEY	<b>2,262</b>	6	6	5	69	6	6
SHETLAND	<b>883</b>	0	6	11	34	7	16
ENGLAND	<b>1,865</b>	3	3	6	31	10	31
INTERNATIONAL CHARGES	<b>2,410</b>	15	4	87	16	9	24
<b>CHURCH OF SCOTLAND</b>	<b>312,204</b>	<b>963</b>	<b>1,409</b>	<b>1,214</b>	<b>9,655</b>	<b>1,906</b>	<b>5,194</b>

Table 3: Presbytery membership figures

**Occasional Offices**

Presbyteries	Baptisms			Weddings	Funerals
	All baptisms	Adult baptisms	Birth Thanksgiving Services		
EDINBURGH	186	21	12	138	930
WEST LOTHIAN	70	8	2	60	502
LOTHIAN	89	17	14	82	616
MELROSE AND PEEBLES	34	5	4	28	185
DUNS	22	1	1	13	147
JEDBURGH	30	2	0	21	210
ANNANDALE AND ESKDALE	26	0	2	46	186
DUMFRIES AND KIRKCUDBRIGHT	66	3	0	60	328
WIGTOWN AND STRANRAER	18	1	3	22	192
AYR	76	18	1	75	834
IRVINE AND KILMARNOCK	40	5	1	10	249
ARDROSSAN	55	8	1	41	465
LANARK	36	3	0	23	345
GREENOCK AND PAISLEY	121	5	2	57	810
GLASGOW	285	56	21	175	1826
HAMILTON	175	19	7	81	1170
DUMBARTON	76	4	10	64	428
ARGYLL	59	1	0	58	470
FALKIRK	64	10	3	39	611
STIRLING	68	8	2	53	533
DUNFERMLINE	35	6	9	41	376
KIRKCALDY	53	12	5	30	463
ST ANDREWS	54	2	0	61	286
DUNKELD AND MEIGLE	29	0	1	52	203
PERTH	68	6	2	62	357
DUNDEE	67	17	10	36	412
ANGUS	66	3	7	47	466
ABERDEEN	55	4	6	63	660
KINCARDINE AND DEESIDE	38	1	3	33	216
GORDON	61	9	4	42	456
BUCHAN	29	4	0	15	280
MORAY	36	2	1	29	402
ABERNETHY	10	1	0	11	494
INVERNESS	24	2	1	41	274
LOCHABER	7	2	2	22	105

## Occasional Offices (continued)

Presbyteries	Baptisms			Weddings	Funerals
	All baptisms	Adult baptisms	Birth Thanksgiving Services		
ROSS	6	0	0	13	207
SUTHERLAND	11	0	0	21	86
CAITHNESS	3	2	1	13	149
LOCHCARRON-SKYE	10	1	1	7	42
UIST	3	0	0	5	43
LEWIS	7	0	1	10	75
ORKNEY	4	1	5	29	112
SHETLAND	5	0	0	8	84
ENGLAND	39	1	0	13	63
INTERNATIONAL CHARGES	40	7	7	13	10
<b>CHURCH OF SCOTLAND</b>	<b>2,356</b>	<b>278</b>	<b>152</b>	<b>1,863</b>	<b>17,358</b>
<b>% Scotland</b>	<b>4.3%</b>			<b>7.3%</b>	<b>29.4%</b>

Table 4: Presbytery baptisms, weddings, funerals figures

Church of Scotland congregations conducted 7.3% of weddings celebrated in Scotland in 2019, and 29.4% of funerals. They baptised or gave thanks for 4.3% of births (excluding adult baptisms).

**Leadership**

Presbyteries	Elders			Other leaders		
	Male	Female	All	Male	Female	All
EDINBURGH	910	1,180	2,090	97	136	233
WEST LOTHIAN	308	356	664	85	135	220
LOTHIAN	390	516	906	31	81	112
MELROSE AND PEEBLES	187	220	407	25	44	69
DUNS	77	89	166	30	51	81
JEDBURGH	118	192	310	16	43	59
ANNANDALE AND ESKDALE	125	175	300	6	23	29
DUMFRIES AND KIRKCUDBRIGHT	251	262	513	80	138	218
WIGTOWN AND STRANRAER	99	120	219	18	42	60
AYR	560	769	1329	48	98	146
IRVINE AND KILMARNOCK	155	201	356	22	33	55
ARDROSSAN	286	423	709	25	66	91
LANARK	178	215	393	26	34	60
GREENOCK AND PAISLEY	706	913	1,619	145	196	341
GLASGOW	1,327	1,700	3,027	221	444	665
HAMILTON	1,017	1,294	2,311	155	259	414
DUMBARTON	361	498	859	34	75	109
ARGYLL	281	397	678	84	122	206
FALKIRK	366	531	897	76	167	243
STIRLING	430	539	969	77	125	202
DUNFERMLINE	208	313	521	17	27	44
KIRKCALDY	223	370	593	51	107	158
ST ANDREWS	264	361	625	12	20	32
DUNKELD AND MEIGLE	145	169	314	26	34	60
PERTH	335	416	751	19	33	52
DUNDEE	356	432	788	41	78	119
ANGUS	316	468	784	33	50	83
ABERDEEN	444	534	978	24	49	73
KINCARDINE AND DEESIDE	150	193	343	4	13	17
GORDON	268	352	620	20	56	76
BUCHAN	243	296	539	49	138	187
MORAY	200	315	515	21	83	104
ABERNETHY	42	65	107	1	6	7
INVERNESS	200	166	366	61	95	156
LOCHABER	46	82	128	13	34	47

**Leadership (continued)**

Presbyteries	Elders			Other leaders		
	Male	Female	All	Male	Female	All
ROSS	111	92	203	28	61	89
SUTHERLAND	29	62	91	1	4	5
CAITHNESS	64	54	118	29	47	76
LOHCARRON-SKYE	22	19	41	12	19	31
UIST	29	9	38	16	16	32
LEWIS	52	0	52	34	21	55
ORKNEY	58	97	155	9	10	19
SHETLAND	34	56	90	10	25	35
ENGLAND	82	80	162	0	0	0
INTERNATIONAL CHARGES	67	63	130	29	18	47
<b>CHURCH OF SCOTLAND</b>	<b>12,120</b>	<b>15,654</b>	<b>27,774</b>	<b>1,861</b>	<b>3,356</b>	<b>5,217</b>

*Table 5: Presbytery leadership figures*

There are 27,774 elders in the Church of Scotland of whom 43.6% are male and 56.4% female, 8.9% of the membership.

**Attendance at Worship**

Presbyteries	Membership as at 31 <sup>st</sup> Dec 2019	Age ranges of worshippers						Number of Worshippers	% membership attending worship
		Under 16	16-24	25-44	45-64	65-84	85 and over		
EDINBURGH	20,305	10%	4%	12%	23%	39%	9%	6,649	33%
WEST LOTHIAN	7,199	9%	2%	9%	24%	50%	6%	2,194	30%
LOTHIAN	10,829	11%	3%	11%	23%	45%	8%	3,429	32%
MELROSE AND PEEBLES	5,206	9%	2%	9%	19%	52%	8%	1,065	20%
DUNS	2,299	4%	0%	3%	16%	40%	6%	470	20%
JEDBURGH	4,656	2%	3%	4%	24%	53%	9%	706	15%
ANNANDALE AND ESKDALE	3,743	7%	3%	8%	27%	48%	7%	998	27%
DUMFRIES AND KIRKCUDBRIGHT	7,353	6%	2%	8%	20%	52%	9%	1,453	20%
WIGTOWN AND STRANRAER	4,176	10%	2%	6%	22%	53%	8%	793	19%
AYR	14,994	8%	2%	7%	23%	48%	10%	3,565	24%
IRVINE AND KILMARNOCK	7,899	6%	1%	4%	23%	44%	7%	2,286	29%
ARDROSSAN	7,016	9%	2%	6%	19%	46%	9%	1,919	27%
LANARK	5,012	11%	5%	11%	24%	43%	5%	1,681	34%
GREENOCK AND PAISLEY	15,033	7%	3%	9%	21%	41%	8%	4,189	28%
GLASGOW	26,313	11%	4%	11%	23%	36%	7%	10,229	39%
HAMILTON	20,294	11%	3%	11%	24%	44%	7%	6,865	34%
DUMBARTON	9,726	10%	2%	9%	20%	44%	9%	2,781	29%
ARGYLL	5,942	7%	2%	6%	18%	56%	9%	1,776	30%
FALKIRK	9,529	9%	2%	8%	23%	49%	9%	2,664	28%
STIRLING	11,224	11%	3%	8%	23%	47%	9%	3,212	29%
DUNFERMLINE	5,071	12%	2%	9%	20%	47%	9%	1,969	39%
KIRKCALDY	6,126	6%	3%	6%	15%	40%	12%	1,636	27%
ST ANDREWS	7,197	6%	3%	8%	22%	55%	7%	1,711	24%
DUNKELD AND MEIGLE	4,044	6%	2%	5%	17%	52%	7%	1,111	27%
PERTH	10,905	9%	3%	8%	23%	45%	10%	2,547	23%
DUNDEE	9,285	9%	3%	8%	20%	44%	11%	2,136	23%
ANGUS	10,312	9%	3%	9%	21%	48%	9%	2,032	20%
ABERDEEN	10,961	7%	3%	9%	23%	43%	11%	2,731	25%
KINCARDINE AND DEESIDE	6,182	10%	2%	8%	20%	37%	10%	1,423	23%
GORDON	10,516	13%	3%	11%	23%	43%	7%	1,757	17%
BUCHAN	8,735	5%	2%	6%	24%	53%	9%	1,405	16%
MORAY	6,303	8%	4%	8%	20%	49%	9%	1,581	25%
ABERNETHY	955	8%	6%	10%	26%	41%	8%	525	55%
INVERNESS	3,949	13%	3%	10%	22%	48%	5%	1,914	48%
LOCHABER	904	11%	6%	6%	22%	48%	8%	428	47%



**Attendance at Worship (continued)**

Presbyteries	Membership as at 31 <sup>st</sup> Dec 2019	Age ranges of worshippers						Number of Worshippers	% membership attending worship
		Under 16	16-24	25-44	45-64	65-84	85 and over		
ROSS	1,524	10%	2%	4%	15%	40%	10%	1,047	69%
SUTHERLAND	542	1%	7%	1%	55%	15%	21%	456	84%
CAITHNESS	921	7%	2%	6%	28%	38%	7%	445	48%
LOCHCARRON-SKYE	491	5%	2%	8%	33%	46%	6%	484	99%
UIST	278	15%	4%	9%	28%	38%	6%	299	108%
LEWIS	835								
ORKNEY	2,262	25%	1%	6%	22%	39%	8%	483	21%
SHETLAND	883	7%	0%	4%	22%	42%	3%	243	28%
ENGLAND	1,865	10%	3%	12%	25%	44%	7%	336	18%
INTERNATIONAL CHARGES	2,410	9%	9%	25%	27%	26%	3%	792	33%
<b>CHURCH OF SCOTLAND</b>	<b>312,204</b>	<b>9%</b>	<b>3%</b>	<b>9%</b>	<b>22%</b>	<b>44%</b>	<b>8%</b>	<b>88,415</b>	<b>28%</b>

Table 6: Presbytery attendance figures

### Congregational Activities

Congregations are asked whether they engage in activities relating to:

- School chaplaincy
- Youth work
- Community development
- International links
- Environmental issues
- Political issues
- Health issues
- Economic inequality
- Food Poverty

Data was received from all but two presbyteries, resulting in the following summary graph:

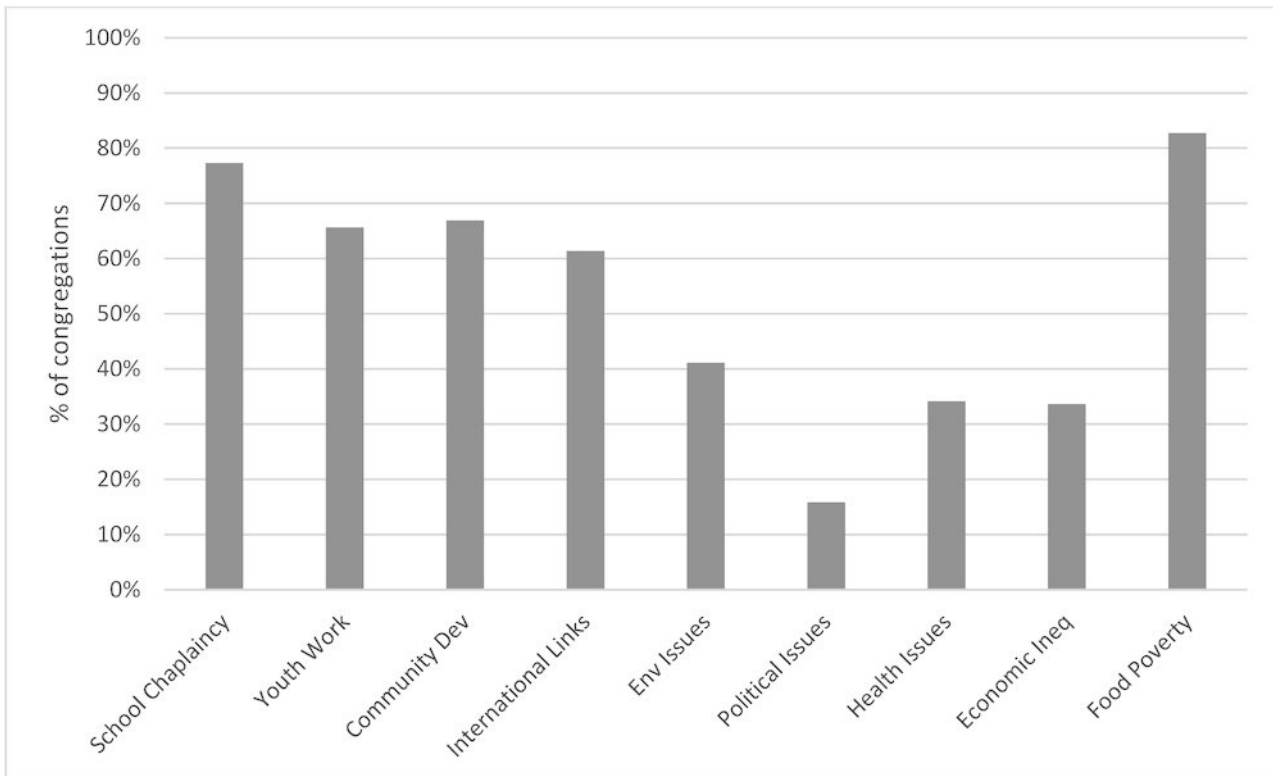


Figure 2: Congregational activities

Alleviating food poverty (83%) and School chaplaincy (77%) were the most common activities in congregations of the Church of Scotland. Engagement with Political issues was the least common with only 16% of congregations.

Presbyteries	Schools	Youth work	Community development	International links	Environment	Politics	Health	Economic inequality	Food p'rtly
EDINBURGH	83%	81%	79%	76%	56%	33%	54%	43%	90%
WEST LOTHIAN	96%	88%	69%	73%	58%	15%	54%	54%	92%
LOTHIAN	79%	70%	77%	64%	64%	23%	36%	32%	91%
MELROSE AND PEEBLES	77%	54%	77%	81%	54%	15%	19%	19%	96%
DUNS	79%	57%	43%	36%	21%	7%	21%	14%	64%
JEDBURGH	75%	75%	50%	31%	38%	13%	25%	13%	56%
ANNANDALE AND ESKDALE	79%	53%	79%	68%	26%	16%	42%	37%	84%
DUMFRIES AND KIRKCUDBRIGHT	75%	41%	44%	56%	31%	9%	16%	34%	75%
WIGTOWN AND STRANRAER	95%	53%	47%	58%	11%	0%	16%	26%	100%
AYR	79%	46%	69%	54%	27%	6%	29%	31%	63%
IRVINE AND KILMARNOCK	88%	73%	65%	62%	46%	12%	46%	31%	96%
ARDROSSAN	78%	81%	75%	67%	52%	11%	44%	63%	89%
LANARK	86%	81%	71%	81%	24%	19%	29%	52%	90%
GREENOCK AND PAISLEY	73%	80%	65%	57%	27%	12%	37%	20%	84%
GLASGOW	80%	70%	80%	66%	56%	28%	47%	44%	72%
HAMILTON	86%	81%	85%	70%	48%	21%	58%	55%	93%
DUMBARTON	88%	64%	58%	45%	61%	18%	30%	30%	76%
ARGYLL	59%	47%	55%	45%	36%	5%	24%	28%	60%
FALKIRK	82%	71%	65%	68%	26%	6%	29%	35%	88%
STIRLING	78%	63%	72%	67%	46%	13%	28%	24%	89%
DUNFERMLINE	96%	67%	75%	92%	50%	17%	38%	42%	100%
KIRKCALDY	87%	74%	78%	74%	52%	9%	39%	43%	91%
ST ANDREWS	65%	52%	81%	68%	42%	13%	23%	23%	94%
DUNKELD AND MEIGLE	86%	57%	52%	48%	43%	10%	29%	38%	81%
PERTH	83%	71%	83%	60%	40%	17%	29%	31%	83%
DUNDEE	69%	77%	71%	57%	51%	14%	57%	49%	89%
ANGUS	74%	51%	57%	54%	43%	17%	31%	40%	69%
ABERDEEN	88%	74%	68%	59%	62%	26%	44%	38%	97%
KINCARDINE AND DEESIDE	90%	90%	81%	71%	52%	5%	38%	19%	62%
GORDON	89%	68%	61%	61%	46%	18%	21%	21%	86%
BUCHAN	59%	62%	41%	29%	21%	0%	9%	15%	71%
MORAY	67%	63%	56%	44%	26%	22%	33%	22%	81%
ABERNETHY	83%	50%	67%	83%	50%	8%	33%	25%	100%
INVERNESS									
LOCHABER	100%	67%	60%	67%	7%	13%	7%	27%	93%

Presbyteries	Schools	Youth work	Community development	International links	Environment	Politics	Health	Economic inequality	Food p'rtly
ROSS	81%	57%	62%	67%	24%	10%	38%	19%	86%
SUTHERLAND	71%	57%	64%	43%	29%	29%	36%	36%	86%
CAITHNESS	78%	56%	67%	44%	22%	22%	33%	33%	67%
LOHCARRON-SKYE	63%	88%	38%	63%	13%	0%	38%	13%	88%
UIST	83%	100%	67%	67%	17%	33%	33%	33%	33%
LEWIS									
ORKNEY	55%	35%	55%	60%	45%	15%	10%	25%	65%
SHETLAND	31%	46%	31%	62%	23%	0%	0%	23%	77%
ENGLAND	13%	13%	75%	38%	50%	25%	50%	50%	75%
INTERNATIONAL CHARGES	0%	47%	18%	53%	18%	29%	18%	29%	59%
<b>CHURCH OF SCOTLAND</b>	<b>77%</b>	<b>66%</b>	<b>67%</b>	<b>61%</b>	<b>41%</b>	<b>16%</b>	<b>34%</b>	<b>34%</b>	<b>83%</b>

Table 7: Congregational activities

**Congregational Statistical Returns – Young People**

(cf Appendix III of the Reports of the Council of Assembly, 2019)

Reports from the Presbyteries showed that as at 31 December 2019:

1. The number of children and young people aged 17 years and under who are involved in the life of the congregation is 47,393;
2. The number of people aged 18 years and over, whose names are not on the Communion Roll, but who are involved in the life of the congregations is 15,474 and;
3. The number of children who receive Holy Communion in terms of Act V, 2000, Section 15 is 3,272.

Presbyteries	Membership as at 31 <sup>st</sup> Dec 2019	Children under 17	Children receiving Communion	Adults not on Communion roll
EDINBURGH	20,305	4,026	543	1,216
WEST LOTHIAN	7,199	1,639	99	316
LOTHIAN	10,829	1,204	170	643
MELROSE AND PEEBLES	5,206	301	28	240
DUNS	2,299	193	13	57
JEDBURGH	4,656	299	1	7
ANNANDALE AND ESKDALE	3,743	227	10	105
DUMFRIES AND KIRKCUDBRIGHT	7,353	327	11	158
WIGTOWN AND STRANRAER	4,176	471	18	43
AYR	14,994	1,754	40	223
IRVINE AND KILMARNOCK	7,899	1,094	58	221
ARDROSSAN	7,016	1,038	29	188
LANARK	5,012	1,281	127	316
GREENOCK AND PAISLEY	15,033	3,759	163	502
GLASGOW	26,313	8,339	553	2,471
HAMILTON	20,294	4,979	154	841
DUMBARTON	9,726	1,175	85	326
ARGYLL	5,942	390	22	190
FALKIRK	9,529	1,786	126	227
STIRLING	11,224	1,071	111	289
DUNFERMLINE	5,071	717	111	202
KIRKCALDY	6,126	600	41	137
ST ANDREWS	7,197	306	6	176
DUNKELD AND MEIGLE	4,044	450	3	125
PERTH	10,905	1,036	77	417
DUNDEE	9,285	1,217	128	511
ANGUS	10,312	1,040	63	137
ABERDEEN	10,961	1,184	70	264
KINCARDINE AND DEESIDE	6,182	727	84	236
GORDON	10,516	1,061	62	310
BUCHAN	8,735	1,070	14	129
MORAY	6,303	388	7	183

**Congregational Statistical Returns – Young People (continued)**

(cf Appendix III of the Reports of the Council of Assembly, 2019)

Presbyteries	Membership as at 31 <sup>st</sup> Dec 2019	Children under 17	Children receiving Communion	Adults not on Communion roll
ABERNETHY	955	161	48	211
INVERNESS	3,949	551	95	419
LOCHABER	904	124	13	262
ROSS	1,524	172	5	1,005
SUTHERLAND	542	142	4	298
CAITHNESS	921	185	12	261
LOCHCARRON-SKYE	491	45	5	278
UIST	278	55	10	351
LEWIS	835	368	21	830
ORKNEY	2,262	135	9	71
SHETLAND	883	62	0	27
ENGLAND	1,865	70	9	45
INTERNATIONAL CHARGES	2,410	174	14	10
<b>CHURCH OF SCOTLAND</b>	<b>312,204</b>	<b>47,393</b>	<b>3,272</b>	<b>15,474</b>

Table 8: Young People and Adherents

*In the name of the Assembly Trustees*

JOHN CHALMERS, Convener  
 NORMA ROLLS, Vice-Convener  
 JAMES McNEILL, Administrative Trustee

**Appendix 1****Report of the Ministries and Mission Working Group****Introduction**

One of the goals of the Radical Action Plan agreed at the General Assembly of 2019 was a desire to de-centralise the Church and move as much responsibility and accountability for the life, mission and ministry of the Church from the national Church to the local and regional Church.

With this in mind, the Assembly Trustees appointed a working group in October 2019 to *review the present Ministries and Mission (M & M) contribution scheme and, if appropriate, to bring forward recommendations for an alternative scheme.*

As part of its remit, the working group was also asked to consider methods by which the work of the proposed new Presbyteries might be financed and to think about what arrangements would need to be put in place as the Church transitions towards a new M&M system.

In its interim report to the General Assembly of October 2020, the working group gave details of the range of its consultation within the Church, and with partner churches at home and abroad, identified what were perceived to be the strengths and weaknesses of the present M&M contribution scheme, and concluded that although the present M&M scheme was successful in raising the total requested, and also shared the financial costs of ministry across the Church, it was *perceived to lack clarity, act as a disincentive to local mission initiatives, feel like a tax and penalise those congregations who take stewardship seriously.*

The working group also concluded there is an almost complete lack of understanding in the Church about what a full time Minister of Word and Sacrament actually costs, and the variety of purposes for which the Parish Ministries fund is being used under the present system.

As it considered these conclusions, and started to imagine what an alternative scheme might be like, the working group articulated the following of principles.

Based on the gospel imperative to *make disciples of all nations*, and given the Church's commitment to the poorest and most vulnerable people in our communities, any new contribution system to the ministry and mission of the Church should aspire to be;

*Fair  
Transparent and easy to understand  
Adaptable to changing circumstances  
A driver of change  
An incentive to mission  
Effective*

And then the Covid-19 pandemic struck!

In an instant every aspect of the life of the Church was turned on its head, its worship, ministry, mission, and community engagement, as well as its financial health and well-being.

From a financial perspective, the closure of church buildings for worship services, and the closure of church halls for church and community activities, has resulted in a significant loss of income across the Church.

And it is the income generated by congregations which pays for ministry.

If the impact of the pandemic has still to be determined in terms of the worship, ministry and mission of the Church, it will be some time yet before the full financial implications of the pandemic on the Church can be properly assessed

Taking these two factors together, the direction of travel proposed by the Radical Action Plan, and the changed and changing economic context created by the Covid-19 pandemic, the need to create a new scheme to fund the

ministry and mission of the Church could hardly be more urgent.

**Giving to Grow**

Based on the actual cost of a Minister of Word and Sacrament, the proposed new contribution scheme - **Giving to Grow** - will make clear to members of congregations what their charge is contributing towards the cost of the ministry it is receiving.

As well as making clear what their charge is contributing towards the cost of the ministry it is receiving, the scheme will also make clear to members what, if anything, their charge is contributing to ministry elsewhere.

Finally, the proposed system will also make clear to members what their charge is contributing to support the wider work of the Church including the core work of their Presbytery.

And with the assessable income being based on the most recent year, as opposed to the three-year rolling average under the present scheme, as well as being simpler to understand, the proposed scheme will also be more responsive to changing circumstances.

**How will it work?**

Each year the Stewardship and Finance Department will calculate the cost of a Minister of Word and Sacrament. This amount will be the cost to the Parish Ministries Fund for the stipend, employer's national insurance, employer's pension and death in service contribution and employment protection insurance. This cost will vary over time as, for example, stipends increase, or changes are made by government to national insurance or employer's pension contributions. It is this cost which provides the base line calculation for the proposed contribution scheme and any such changes to the baseline cost will be spread across all charges, rather than just the minority of charges at present.

The contribution will be based on the income of a charge and not on an individual congregation. Each charge will have an annual "charge income" figure. The charge income is the aggregate income of all congregations in the charge for the year prior to the year in which the proposed contributions are calculated and issued. For example, the 2023 contributions would be based on the 2021 charge aggregate income.

The charge aggregate income will include all sums available to meet normal expenditure and there is no change in this element from the current system. The working group spent considerable time considering what the income of a charge available for assessment should be and, apart from a recommendation to reduce the threshold for assessment of hall lets (£10,000 rather than £20,000 as present), the working group confirms that legacies left to a charge for general or specific purposes should be excluded, if a legacy is invested, any investment income would be included in an assessment.

The group also considered some form of levy on what might be described as excessive general reserves and we suggest this is a matter to be kept under review by the Assembly Trustees and encouragement given for the use of such reserves in support of the local, regional and national Church as a way of encouraging changes in behavior.

Under the proposed scheme each congregation within a charge will pay a proportion of the contribution in proportion to their congregation's income. However, rather than allocating a single figure to each congregation as under the present scheme, under the proposed scheme the M&M contribution will be split into three separate components and the congregations in a charge will be notified of the amount of each component:

- i. Ministry Here

- ii. Ministry Elsewhere
- iii. Shared Activities including Presbytery

The “Ministry Here” component of the contribution will fund the cost of the parish minister/s in the charge. It will be calculated at 50% of the charge income up to a maximum of the cost of the parish ministry posts allocated in the Presbytery plan. All congregations within a charge which are allocated a post in the Presbytery Plan will be required to pay this amount even when vacant. Based on the actual cost of a parish minister, as well as providing clarity on what a charge is paying towards the ministry it is receiving, by making clear the actual cost of a Minister of Word and Sacrament, it is hoped the ‘Ministry Here’ component will act as an incentive to every charge to meet that cost.

In order to produce an assessment equal to the full cost of “Ministry Here” (the cost of a parish minister), charge income would need to exceed twice the cost of the parish ministry posts allocated in the Presbytery plan. Charge income in excess of this amount will be taken into account to calculate the “Ministry Elsewhere” component. This will be calculated at 35% of the excess income, and “Ministry Elsewhere” contributions will be capped for all charges at an amount equal to 1.5 times ministry posts.

The purpose of this cap is to meet one of the requirements of the Radical Action Plan, namely that greater financial resources will be left with local congregations to encourage their ministry and mission. One of the repeated concerns expressed about the present M&M scheme is that it acts as a disincentive to mission. Introducing a cap on the Ministry Elsewhere element of the calculation is intended to encourage congregations to raise funds for their own local purposes, a key factor in improving financial sustainability and enhancing the ministry and mission of the charge in their local community, as well as the ministry and mission of the wider church.

The salaries and related costs of Ministries Development Staff (MDS), whose posts are part of agreed Presbytery Plans will be funded from “Ministry Elsewhere”. As the Church adjusts to a new configuration of the number of charges and ministries that it can sustain this will be an area of the scheme which will be subject to annual review

The contribution towards “Shared Activities including Presbytery” will be 10% of the assessable income of a charge. Shared activities include many of the services provided by the national Church which benefit all charges, for example, Safeguarding, but this may be developed over time.

The Presbytery element will initially provide funding for the equivalent of a full time clerk and an administrator together with an element of funding towards running costs and Presbyteries will have the freedom to allocate this funding as they see fit, perhaps employing a full time person or creating a part time clerk’s post alongside a 50% parish ministry post.

Presbyteries will also be free to raise their own funds for whatever purposes they choose, whether through the allocation of Presbytery dues, or the use of investments, legacies and reserves, or in partnership with other denominations, third sector organizations or Local Authorities.

One of the intentions of setting the Shared Activities and Presbytery element of the allocation at a fixed percentage is to create a closer link between planning and budgeting meaning the regional and national Church will need to take account of what income is available when planning their work.

To take account of vacant congregations an amount will be allocated annually from the Faith Nurture Forum budget to be used to support such congregations. Initially, this amount will be based on the current level of vacancy allowance. Each Presbytery will then be allocated an amount proportionate

to the number of vacancies in that Presbytery to be used to provide appropriate cover for vacant charges.

### Example Calculations

All assuming the cost of ministry is £44,000 per annum

1. Single congregation with assessable income of £100,000
  - Ministry Here - £44,000 (50% x £100,000 up to max. of cost of ministry)
  - Ministry Elsewhere - £4,200 (35% x £12,000 which is income in excess of £88k)
  - Presbytery and Shared Activities - £10,000 (10% x £100,000)
  - Total contribution by charge - £58,200
2. Charge comprises two congregations with assessable income of £30,000 and £20,000
  - Ministry Here - £25,000 (50% x £50,000)
  - Ministry Elsewhere - £0
  - Presbytery and Shared Activities £5,000 (10% x £50,000)
  - Total contribution by charge - £30,000
  - Split by congregation:
    - Congregation 1 £18,000
    - Congregation 2 £12,000

### Can we see and do things differently?

The working group is acutely aware that, taken on its own, a new M&M contribution scheme will not resolve the immediate financial pressures facing the church, and neither will it provide the church with a longer term sustainable financial future.

As our chief officer, Dave Kendall, made clear in his article in Life and Work in January 2021, to secure *financial stability* there is a need to be clear about our Church’s priorities, not least *what we can set aside (which) will enable us to plan for and invest in future growth*.

Critical to the financial stability and future growth of the Church will be the successful creation of a new Presbytery structure with each new Presbytery creating a robust and sustainable plan.

The initiative from the General Trustees to provide *well equipped spaces in the right places* will be one of the key drivers of any robust and sustainable plan as we can no longer afford to maintain the present number of church buildings.

Given the closure of church buildings for public worship during the Covid-19 pandemic, and the remarkable use of online resources for worship, Bible study, prayer groups and fellowship, the opportunity to create a mixed economy of physical and online worshipping communities is one which needs to be grasped, developed and incorporated into Presbytery planning.

And given that each of the Christian denominations in Scotland is facing the same challenges as the Church of Scotland, there is surely also an opportunity to engage in ecumenical partnerships to ensure a worshipping and serving Christian presence in every community. This ecumenical dimension also needs to become an integral part of Presbytery planning.

If these factors – renewed Presbytery structure, robust Presbytery planning, a mixed economy of physical and online worshipping and serving communities, and renewed ecumenical co-operation – are some of the factors critical to the financial stability and future growth of the Church of Scotland, the working group is also conscious of more immediate threats.



As was evident from the webinar we held with Priority Area congregations, in conversation with colleagues in the Highland and Island charges, and from the conversations Dave Kendall has had with many ministers and congregational treasurers, that many congregations are facing serious financial difficulties. Some have used up all their available reserves to meet their present M&M allocation and other necessary expenses while for many others, normal income is no longer meeting – or anywhere near meeting – normal expenditure.

Given the acute nature of the financial pressures facing many congregations, the working group proposes the creation of a Transition Fund.

### Transition Fund

When the Radical Action plan was first discussed, it was hoped to create a Growth Fund but circumstances resulting from the Covid-19 pandemic rendered this impossible.

In order to mitigate some of the financial impact of the pandemic on the church, and to allow time for the new M&M system to become established alongside the other factors mentioned above, the proposed Transition Fund would be available to be applied for by any charge in financial difficulties. The regulations governing the Transition Fund will need to be robust and, for example, might include the charge being able to demonstrate it was an integral part of its Presbytery Plan, it was engaged in a stewardship project in partnership with the church's stewardship consultants, and satisfied the requirements of the General Trustees to provide 'a well-equipped space in the right place'.

### Discount

Given the acute financial pressures facing many congregations, including many Priority Area and rural charges, the working group considered at length the option of including a discount in the 'Ministry Here' part of the calculation, making it voluntary, or including a variety of allowances for what might be described as 'essential' expenses (for example, heating, lighting, insurance costs).

After careful consideration, the working group decided not to recommend any form of discount to become part of its proposal, partly because of the enormous and ultimately unworkable administrative burden it would add to the scheme, partly because it would significantly reduce the principles of fairness and transparency inherent in its proposal, and also because any M&M scheme is intended to raise funds to support parish ministry and can only be one part of the Church's response to the challenge it is facing to maintain sustainable worshipping communities across the country.

### Communication strategy

The working group was tasked with bringing to the Assembly Trustees a new system for Ministries and Mission contributions. The system we are recommending is straightforward, simple to understand and calculate, and is transparent in its application. However, from our research we are persuaded many people throughout the church do not understand the purpose of a Ministry and Mission contribution system – beyond sending money to '121'.

In order to address this concern, the working group proposes a communication strategy to accompany the introduction of the new scheme.

The purpose of the communication strategy would be to tell the story of the Church in creative and imaginative ways, celebrating and informing members of the remarkable work being done by the Church locally, regionally and nationally. There is much to celebrate in the life of our Church the length and breadth of the country, and with partner churches at home and abroad, and the working group is persuaded that a financial uplift will be one of the outcomes of an effective communication strategy.

### Conclusion

The working group is glad to present its report and its proposed new contribution scheme – *Giving to Grow* – for the approval of the General Assembly.

It is a scheme designed to bring in money based upon charge income to support the ministry and mission of the whole Church, but it does not define the areas of spend in the Shared Activities section, that is, it is not an expenditure model.

It is designed to be more flexible than the current scheme and better able to respond to changing circumstances within the life of the Church or individual charges.

It encourages responsible budgetary discipline by making clear the connection between income and planning.

It is designed in such a way to be clear and transparent, it has been extensively tested and modeled, and it works.

Moreover, we believe that *Giving to Grow* should be subject to a process of annual review. Annual review will provide an important safeguard such that any problems or concerns which emerge, can be quickly addressed and resolved.

The financial challenges facing congregations and the wider Church have been evident for some time and the Radical Action plan was, in part, a response to these challenges.

The Covid-19 pandemic and the financial damage for the Church, and for every aspect of the wider economy, is all too apparent. From a financial perspective, the situation facing many of our congregations is acute, so we cannot continue as we are, and fresh thinking is needed more than ever.

As we have developed *Giving to Grow* the working group has come to the view that it is not just a new contribution scheme which is required but an integrated approach which seeks to embrace something of the values and priorities of the ministry and mission of the church.

The economist John Maynard Keynes said, '*The difficulty lies not so much in developing new ideas as in escaping from old ones.*'

So, mindful of the challenges, what are the old ideas from which we need to escape?

And do we have the faith and the imagination to see and do things differently?

### Appendix 2

#### From the report of the Forum Consultation - Special Task Group (D10)

#### Ecumenical Relations and the Theological Forum

#### Background

The report of the 2019 Special Commission on Structural Reform placed the Ecumenical Relations Committee and Theological Forum within the management and departmental structure of the Faith Nurture Forum and placed Interfaith work within the management and departmental structure of the Faith Impact Forum.

The Trustees' report to the General Assembly in October 2020 said (para 33) that they remained of the view expressed in their 2019 report that the work of the Ecumenical Relations Committee and of the Theological Forum should be subject to review, especially as to the way in which they relate to the new Forums and to the level of membership required to deliver the work in which they are engaged.

The Trustees asked our group to look at this as part of our work. We therefore met with the Principal Clerk; the Convener of the Theological Forum; and the Convener, Vice Convener and Officer of the Ecumenical Relations Committee during our Phase 1 consultation and invited their comments on our thinking during Phase 2.

Creating a stand-alone arrangement for the Theological Forum and Ecumenical Relations Committee within the Office of the Assembly Trustees is not feasible currently given work load pressures on the Chief Officer and his existing number of direct reports.

### Ecumenical Relations

Nationally, the ecumenical relations scene has been transformed since March 2020 when the pandemic restrictions began, with collaborative working across the national base and with other denominations. Government doors have opened more readily when an ecumenical approach is made and there has been an increasing realisation of the importance of engagement with the Scottish Government. Much of this work has been undertaken by the Ecumenical Officer and the Principal Clerk.

We recognise that denomination to denomination relating at a national level, and the relationships developed at that level, often make local work possible. There will be a continuing need for attention to be given to ecumenism at a national level.

The work of the Ecumenical Relations Committee is positive, but its placement within the work of the Faith Nurture Forum, from a managerial and departmental perspective, has not been judged especially effective in terms of either integration or impact. We propose that until May 2022 Ecumenical Relations sits within the management and departmental structure of the Office of the General Assembly.

We believe that this temporary move is appropriate for a period when the work of ecumenical relations has a large national and civic focus, and there is a strong alignment with much of the representative work of the Principal Clerk. There is already significant collaboration in this area.

### Theological Forum

The Theological Forum has effectively supported many areas of the current work. In theory the current reporting route is through the Faith Nurture Forum. However, this has not been meaningful in practice.

The current staffing arrangement means that it would make sense for the departmental oversight for the Theological Forum to be located in the Office of the General Assembly until General Assembly 2022.

### Looking ahead

It may be appropriate, from 2022, for Ecumenical Relations to move back from the Office of the General Assembly within the ambit of the Faith Action sphere:

- To facilitate the essential local and national connections required by the Ecumenical Relations Committee
- Given the need for integration and collaboration in the church's work, to ensure that the ecumenical work of the Church is strongly integrated with the work of the Faith Action Plan. While the Committee envisage working closely with the new Head of Faith Action Programme, coming more specifically within the Faith Action sphere may be beneficial.
- In the context of any structural changes developed following on from the D10 Group's work concerning the Forums, and particularly of the importance of integrating the work of the Ecumenical Relations Committee with the life of congregations.
- With the appointment of the Head of Faith Action Programme, capacity issues may be different.

Going further, there may be a case for rethinking how Ecumenical Relations is best organised within the national base, given ongoing change within the church such as Presbytery development and the need for ecumenism increasingly to be a feature of local congregational life.

There are different considerations with the Theological Forum. Given that the General Assembly is responsible for matters of doctrine; there is an argument for keeping the Forum within the management and departmental structure of the Office of the General Assembly. This will be revisited by the Assembly Trustees during the course of the next year.

The D10 Group: Rev Professor David Fergusson, Rev Neil Glover, Rev Sheila Kirk, Rev Jan Mathieson, Rev Donald McCorkindale, Ann Nelson (chair)

### Appendix 3

The remit of the legal Questions Committee is:

- To advise on legal questions, whether of Church or civil law, referred to it by the General Assembly, by the Principal Clerk or by any agency of the General Assembly;
- To assist in formulating responses to consultations opened by the Scottish and UK Governments and other bodies;
- To provide the legislative drafting service for agencies of the General Assembly;
- To advise on reform to Church law in terms of practice and procedure;
- To report to the General Assembly on proposed amendments to Standing Orders;
- To inspect annually records of Agencies of the General Assembly; and
- To inspect annually records of Presbyteries.

### References

- [1] Constitution and Remit of the Assembly Trustees, para 28
- [2] Constitution and Remit of the Assembly Trustees, paras 5 and 6
- [3] Constitution and Remit of the Assembly Trustees, para 44
- [4] Constitution and Remit of the Assembly Trustees, para 47
- [5] Constitution and Remit of the Assembly Trustees, para 18a and 18b
- [6] This number will include Full Time Ministers of Word and Sacrament, Ministries Development Staff and part time ministries
- [7] The Church recorded a 96.3% response rate when surveyed, higher than in recent years.
- [8] Due to timings of the 2020 General Assembly, 2019 results were delayed for publication.