

## ASSEMBLY TRUSTEES MAY 2023

### Proposed Deliverance

#### The General Assembly:

1. Receive the Report.
2. Agree the total number of planned ministry posts for 2024 remains at 600 plus 60 vacancies and for this to be the basis for the next five years, subject to annual reporting and agreement of the General Assembly (*Section 1.2*).
3. Note that under Giving to Grow congregational contributions will reduce from a total of £47.7 million in 2020 to £38.9 million in 2023 and:
  - (i) urge Presbyteries and Kirk Sessions to engage with the National Stewardship Team and the range of its resources to develop new streams of income and generous giving (*Section 10*)
  - (ii) urge congregations and Presbyteries to consider making voluntary contributions towards our ministries during the transition phase as the scheme is implemented and to develop Giving Agreements in the longer term (*Section 5.3*).
4. Agree with the decision of the Assembly Trustees in respect of the following areas as priorities (*Section 3*):
  - (i) the growth and development of the Church through the new Presbyteries working closely with the local congregations;
  - (ii) the work of the national on the local need with a particular emphasis on recruiting and equipping our future leaders in ministries of the Church and
  - (iii) the modernisation and simplification of our governance structure
5. Instruct the Assembly Trustees to identify and deliver further savings in line with the deficit reduction plan which will impact on all areas other than the agreed priorities (deliverance 4) (*Section 3.3*).
6. Instruct the Assembly Trustees to provide a five-year rolling budget plan to the General Assembly on an annual basis, noting that in future the current budget will be set by the Assembly Trustees in the previous Autumn (*Section 4.7*).
7. Instruct the Trustees to carry out a review of the Giving to Grow Scheme and bring any modifications to the regulations to the 2024 General Assembly (*Section 4.13*).
8. Pass Regulations amending the Congregational Contributions "Giving to Grow" Regulations (Regs I 2022) as set out in Appendix 1 (*Section 5 & Appendix 1*).
9. Agree to the funding arrangements for the Presbytery of International Charges and Presbytery of England (*Section 7.4*).
10. Encourage Kirk Sessions to engage with the rescheduled Christian Aid and ecumenical partners' legacy giving initiative, *Faith Will...*, around Harvest 2023 in order to encourage giving to the Church including CrossReach (*Section 9.6.9*).
11. Welcome the launch of the Seeds for Growth Fund as of 1<sup>st</sup> June 2023 recognising that it is an investment in the future of mission and growth within the local church that will draw on our reserves (*Section 10*).
12. Pass Regulations amending the "Seeds for Growth" Fund Regulations (Regs IV 2022) as set out in Appendix 2 (*Section 10 & Appendix 2*).
13. Celebrate the work of CrossReach and note that it accounts for approximately half of the Church of Scotland's total income and expenditure (*Section 11*).
14. Approve the merger of the work of the Faith Nurture Forum with the work of the Faith Impact Forum to become the work of the Faith Action Programme Leadership Team, as prioritised and shaped in anticipation by the Forums, to take effect on 1 June 2023, with the structure, remit and membership set out in Appendix 3 of this Report, and to note the involvement of the Ecumenical Relations Committee and the Theological Forum in the membership of the Leadership Team (*Section 13 and Appendix 3 – Structure and Remit of the Faith Action Programme Leadership Team*).
15. Thank and discharge the members of the Faith Nurture and Faith Impact Forums with effect from 31 May 2023, noting the huge amount of work done by them and the significant challenges faced, including that of the Covid-19 pandemic during the first two years of their life (*Section 13.18*).
16. Note that the Ministries Council and World Mission Council will remain as constituent committees of the Faith Action Programme Leadership Team, for the purposes of acting as the statutory employer for the Church of Scotland Pension Scheme for Ministers and Overseas Missionaries and the Church of Scotland Pension Scheme for Ministries Development Staff (*Section 13.19*).
17. Approve the appointment of members of the Assembly Trustees as the (ex officio) trustees of the Salvesen Fund in succession to the members of the Faith Impact Forum (*Section 14*).
18. Urge all congregations, Presbyteries and national entities to engage with the work of the Equality Diversity and Inclusion Group, in particular the research outcomes of the Research Group on Ethnic Minorities and the work of the Disability Inclusion Working Group (*Section 15*).
19. Agree the decision of the Assembly Trustees in respect of the George Street Building in terms of an income generation strategy for the next five years (*Section 18*).

20. Approve amendments to the Constitution and Remit of the Assembly Trustees, including a remit for the Governance Group, as set out in Appendices 4 and 5 (*Section 22*).
21. Approve the appointment of Miranda Heggie, member of St. Giles. Edinburgh as Assembly Trustee for a two-year period and the reappointment of David Harrison, Jean Couper, Geoff Miller and Jennifer MacDonald for a second (and final) full term (*Section 22.6.1*).

## Report

### 1. INTRODUCTION

**1.1** The Assembly Trustees are tasked by the General Assembly to act as the Charity Trustees of the Church of Scotland (the Unincorporated Entities) Scottish Charities No. SC011353 with 'general control and management of the assets of these entities'. All initial Trustees, appointed as a result of the 2019 Special Commission on Structural Reform, completed their terms of office at GA 2022 having navigated the Church through extraordinary times both with global events and changes ongoing across all levels of the Church; Mission Planning within the local Church; Presbytery reform leading to new regional structures and within the national infrastructure; significantly reduced budget spend and changed configurations of staffing and committee structures.

**1.2** The recommended actions as ratified by the GA from 2019 have all been completed and continue to be actively embedded. It is now to the future that the Assembly Trustees turn as we seek to discern God's will in these matters. The Church of Scotland is currently undergoing the most significant transformation since 1929. The number of ministerial posts, congregations and buildings, have not reduced as part of any managed, planned or natural attrition. The Church has therefore reached a place where significant action is needed for we simply do not have enough people to support the structures which were serviced by previous generations. These numbers are explored further in the report. The Trustees recognise that the speed and pace of change, particularly in relation to Mission Planning, with Presbyteries seeking to implement by 2025 Presbytery Plans based around 600 ministries and a target of no more than 60 further charges vacant, has been a difficult, challenging and painful experience for many. The majority of plans have now been agreed and it is now to the work of forming new connections and communities within our congregational life that we must turn.

**1.3** The report that follows does not present an easy read, for the Trustees need to bring to the attention of the wider Church of Scotland the perilous operational (in terms of numbers of people) and financial situation that the Church now finds itself in, the outcome of many years of falling numbers attending and supporting Church. The figures presented through the congregational statistics and financial report make stark reading confirming the previous projections of the rate of decline which were seen by some as being unnecessarily bleak. As noted later, if congregational income falls as quickly as predicted, the only means of paying ministers' stipends and staff salaries will be from the Church's General Fund (funds which are not restricted). Based on the estimates used, the General Fund will be extinguished by 2026-2027. Reserves can only be used once and whilst the Church does indeed have other funds on its balance sheet, the majority of these are restricted or designated for specific purposes. During 2023 the finance team will be completing their review of all funds and this should result in further reclassifications which could increase the General Fund. How the Church has moved into such a difficult position is described below.

**1.4** This report comes at the end of another monumental year of change for all involved within the Church, congregational members, Ministers, those delivering Ministry and staff working at all levels of the Church. Particular mention is made of CrossReach and those working and volunteering in the caring professions at a time of truly increased societal need. The Trustees would like to extend their thanks for all the work that is taken forward in the name of the Church of Scotland.

---

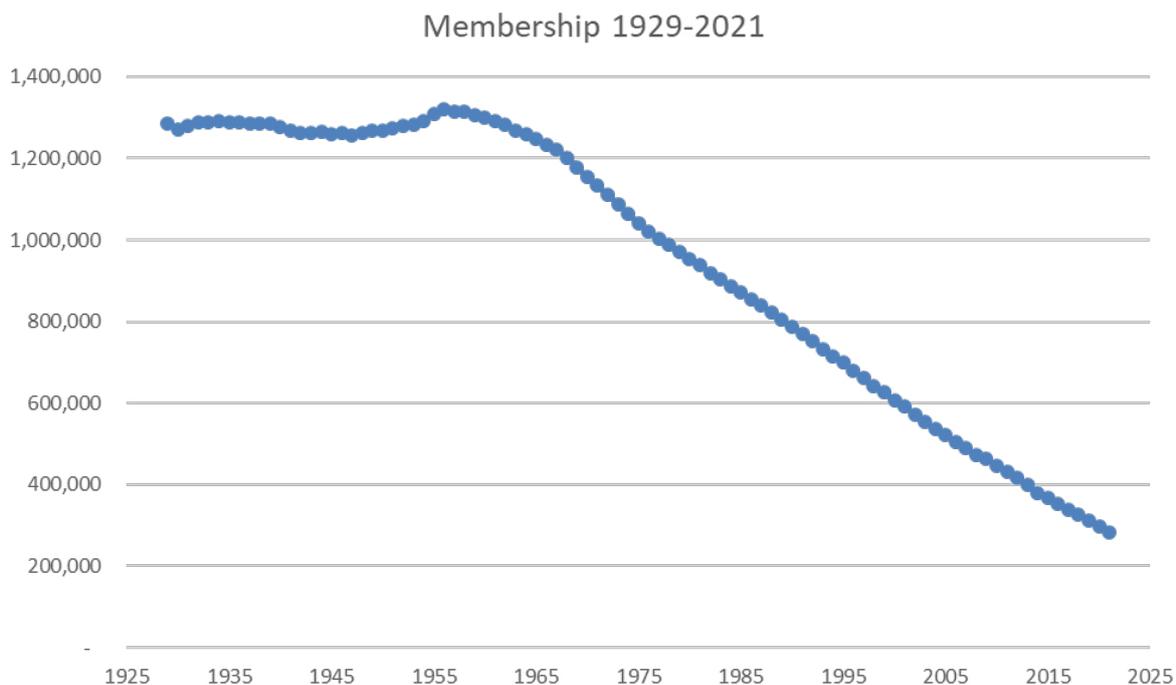
### 2. THE CHURCH IN NUMBERS – WHY CHANGE IS REQUIRED

**2.1** Congregational statistical returns are made each year and published in the Supplementary report. At the time of writing, the 2022 returns are being collected, however the 2021 figures reveal the following:

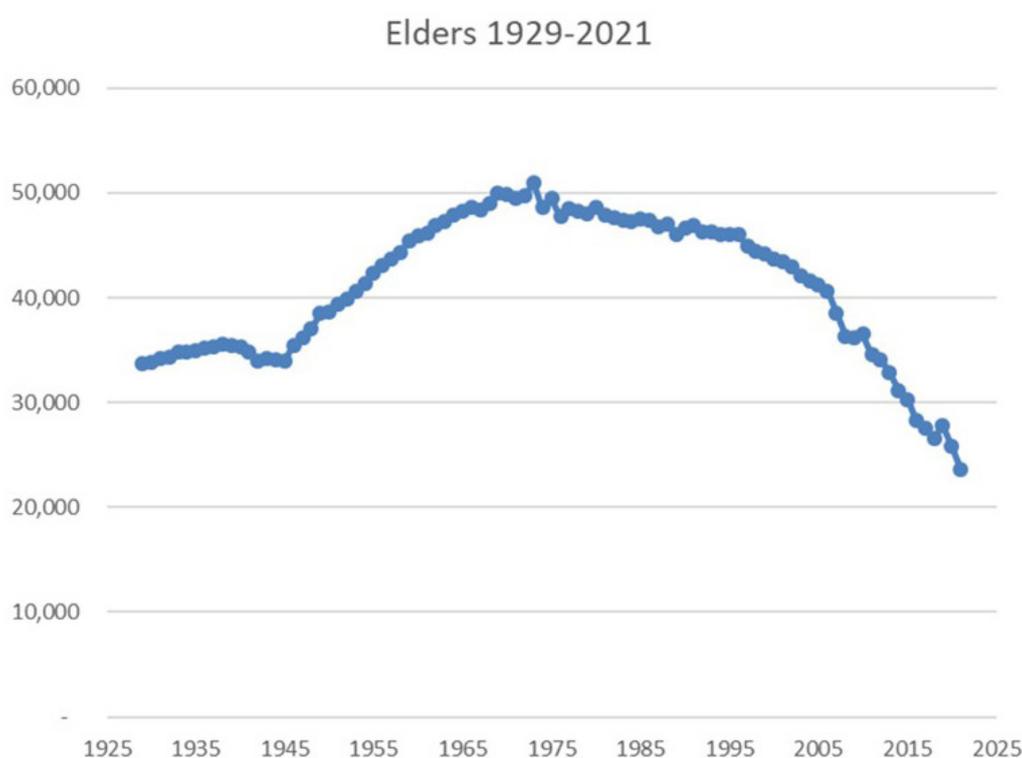
- We now have 283,600 members. This is a figure that has been declining year on year since the highs of over 1.3 million in the later 1950's. The 2021 number was a 4.6% reduction compared to 2020 – similar falls in previous years and same expected in 2022.
- We had 1,280 baptisms, that is an average of just over 1 per congregation compared to 50,000 per year in the late 1950's.
- 430 professions of faith – a small number of new members compared to around a 10,000 reduction in our membership numbers each year. There were over 40,000 professions per year at the peak of new members in the 1930's. Whilst membership numbers are not a true reflection of our full attendance you only need to look around many of our Churches to see the decline in numbers.
- We are averaging just 1 wedding per year per congregation.
- Around 60,000 people in comparison with our 283,600 members worship in person on a Sunday (pre- pandemic this figure was 88,000). We have well over 1,000 church buildings to cater for this number of people which is simply untenable and unsustainable.
- 45,000 people now worship online and 8,275 in 'other ways'. Clearly something is changing in the pattern of worship – at a much faster pace post-pandemic.
- The average age of those attending church is 62 years old – so the trends of decline are not likely to change without us taking positive action and addressing the demographic profile.

- The vast majority of our ministers are over the age of 50 and it is estimated that 40-50% of them could retire in the next 10 years. At our current rate of securing new ministers (20-30 per year including the admission programme) we will have more vacancies than ever before – this isn't about money it is about the practicalities of managing with less people. Prior to the start of mission planning we already had over 320 vacancies – the vacancy gap has been growing unaddressed from year to year putting lots of pressure on our existing ministers to cover vacant charges in addition to their own Churches. Over one in three congregations is now in vacancy.
- We had 48,000 elders in 1977 – and still have around 23,000 now. One in every 12 members is an elder – and almost two in five of regular attenders will be elders. The pressure of managing our Church is falling on a high proportion of our remaining number.
- We still love our buildings – at the end of 2021, acknowledging that it is very difficult to have an accurate number in what is a moving target with many locally vested properties, we had somewhere in the range of 4,500 to 5,000 buildings to maintain and pay for. As a shrinking Church in terms of numbers this really has to be addressed.

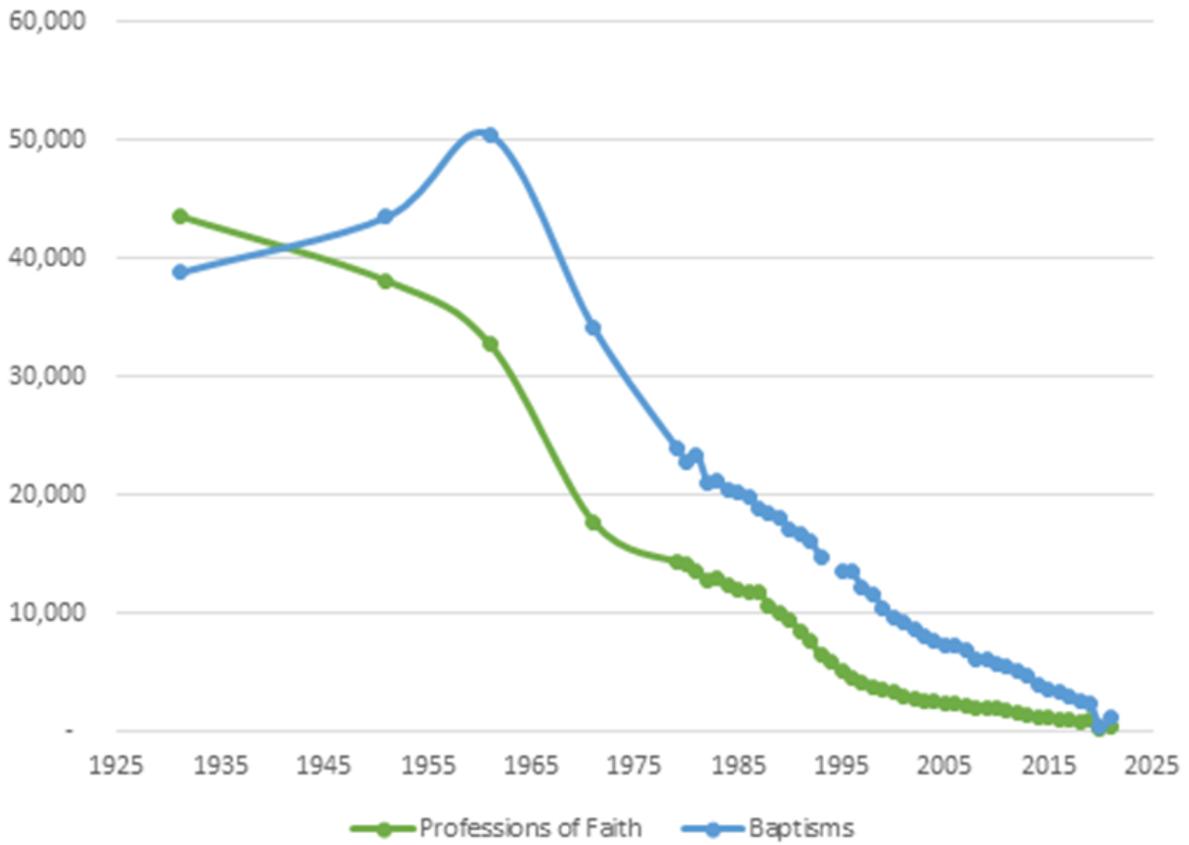
**2.2** The Membership decline since the early 1960's has not been reversed



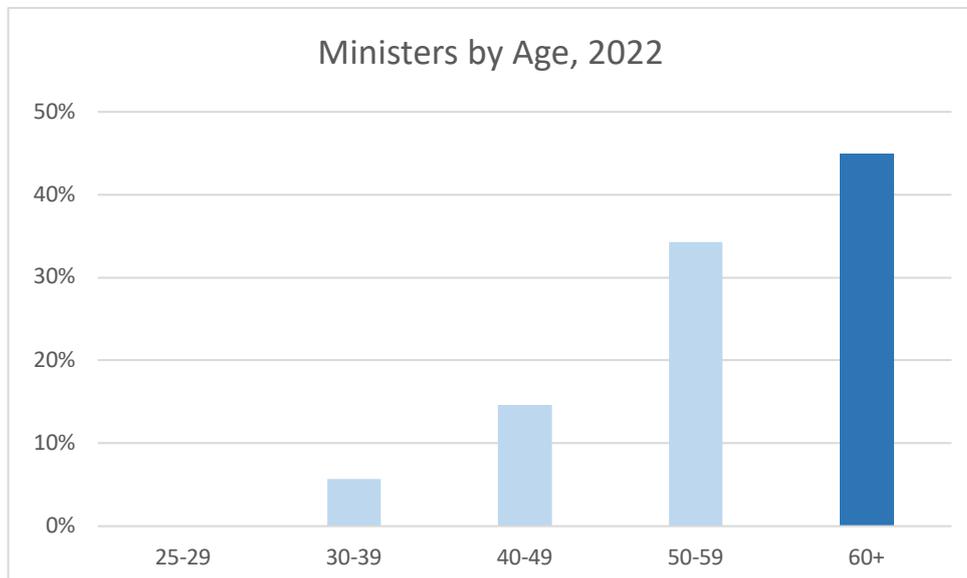
**2.3** We still have a large number of elders from a smaller membership population – exerting pressure on fewer people.



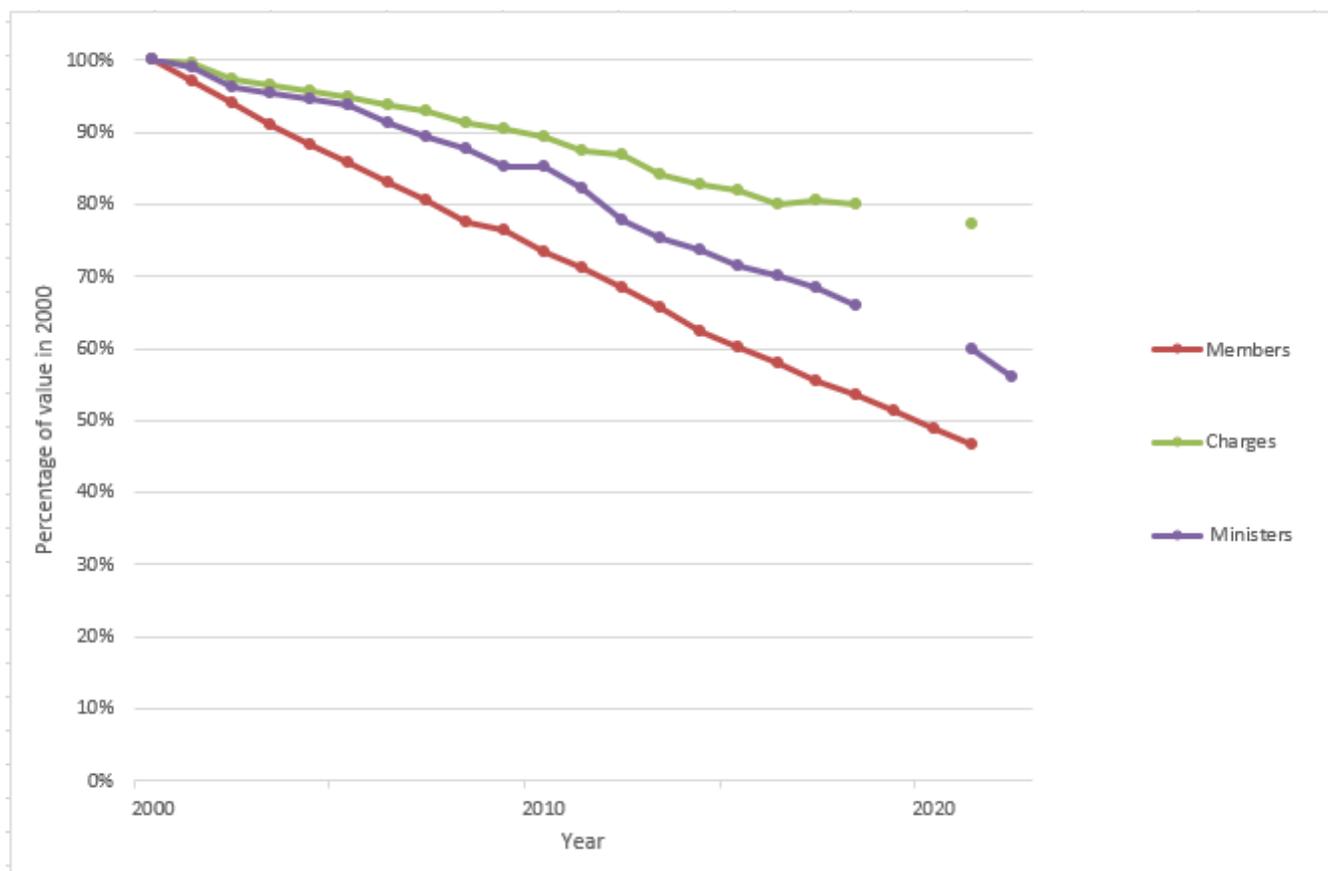
**2.4** Professions of faith and baptisms have almost baselined.



**2.5** Our Ministers are aging with a demographic that suggests that 40-50% will retire in the next 10 years with limited ability to replace them without a new intervention due to the current low rate of recruitment



**2.6** Putting this all together and turning to the more recent past, in 2021 the Church of Scotland membership had dropped to less than half (46.6%) of the figure recorded in 2000; The number of ministers in 2022 was 60% of those recorded in 2000, whilst 77% of charges<sup>[1]</sup> remained. This is no fault of one group of people or any decision-making body, but a trend that has not been reversed; we have lost members and Ministers of Word and Sacrament but not adjusted the number of charges. One in three charges are in vacancy whilst across Scotland the size of almost every congregation is shrinking. Ministers are retiring and people are not coming forward (as has been the case for years) in the numbers needed to replace them. The good news of Jesus Christ, whilst being shared amongst some is not reaching the majority of the people of Scotland.



**3. MOVING FORWARD – NEW DIRECTIONS**

**3.1** Whilst significant time could be spent examining past actions and decisions, it is to the future that the Trustees and the church as a whole need to look, as we discern the new pathways being opened to us. The Trustees are of a view that our future as a Church must be about the provision of inspirational and motivational ministries and leadership, proactive missional activity and making new disciples which will lead to growth and renewal of the Church of Scotland in a different way to fit the 21<sup>st</sup> Century. The Special Commission report of 2019 set the direction of travel for the Church, the proposals presented below are the next developed steps from the report that so shaped our new structures

**3.2** Three principal areas of focus have been identified for the Trustees and Chief Officer to focus work around which are explored further within this report. The Trustees goal is to support change and transformation, ensuring that focus of activities is best placed to support the missional activities of Church at Presbytery and local level. The principal focus for the Assembly Trustees is proposed as:

**3.2.1 (1) An emphasis on progressing the growth and development of the Church through the new Presbyteries working closely with the local congregations.**

The aim will be to provide effective support to the new presbytery structure, development and delivery of presbytery mission plans, the enablers to establishing new ministry models and supporting health and well-being of our people across the Church. Investment will be important here which is where the £25 million Seeds for Growth comes into the picture – this will be about supporting new activities rather than sustaining our old infrastructure.

The work of the Seeds for Growth Initiative is discussed below as is the financial and practical support being made available to Presbyteries. The Trustees are delighted that a collegiate and productive working relationship is being established with the new Presbyteries and look forward to continuing this work over the forthcoming years.

**3.2.2 (2) Ensuring that the work of the national is focused on the local need with a particular emphasis on recruiting and equipping our future leaders for the ministries of the Church in light of the different challenges ahead.**

This must be underpinned by a flexible integrated training programme.

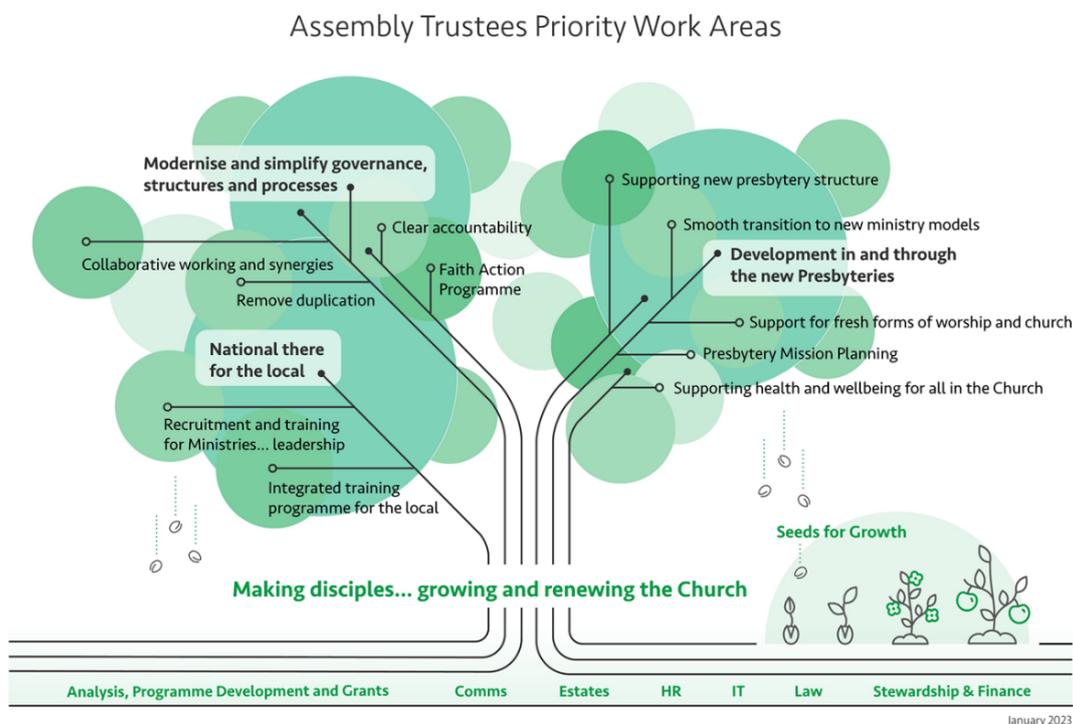
The Trustees have a particular concern over how stretched the Ministerial workforce has become and is closely monitoring the retirement and recruitment figures. Recruitment to Ministries has become a particular priority for the work of the Faith Nurture Forum with the recruitment of the Rev Eleanor McMahon and Very Rev Dr Martin Fair to support this vital work. The report of the Faith Nurture Forum details the progress made and next steps regarding recruitment to ministry and training of all of Gods people.

**3.2.3 (3) Progressing the identified imperative of modernising and simplifying our governance, structure and processes.**

This will require true collaborative working, clear accountability, removal of duplication, reduction in future work and a robust Faith Action Programme that is focused on local need and has been defined through detailed prioritisation of all work by the Faith Action Programme Leadership Team taking account of our financial constraints. At a national level this also requires delivery of lean and efficient professional services in support of the needs of the local Church.

**3.3** The Trustees are pleased that a prioritisation exercise around the work of the Faith Action Programme has begun although it recognises that further work is required to ensure service provision is entirely focused to support the local Church. At a national level and as explored below, our financial situation remains a serious concern despite achieving the 30% reduction in controllable costs (equating to £8m savings) as requested by the Special Commission. The Chief Officer is undertaking a review of all support departments to ensure that work is aligned to need. Work is ongoing looking at delegated authorities within the national structures of the Church with a report coming to GA 2024.

**3.4** The areas for prioritisation are be summarised in the diagram below:



**3.5** The report which follows sets out the areas of work and support that are being progressed by the Assembly Trustees and through the work of the Chief Officer and national staff. There is no question that going forward, hard decisions, including commercial ones need to be made given the backdrop of our people and financial situation. Looking into the organisation of our Church alone will never get us to the place of becoming a missional community in this new world, but it can help us on our journey. Missional leadership and resources for mission lie within our new Presbyteries and we must look to, and help them, to develop our future through small, significant steps working with our congregations.

**4. FINANCE ACROSS THE CHURCH**

**4.1.** In 2019, the Special Commission on Structural Reform sought a move away from deficit budgeting in the National budget. The National office responded with budget cuts and controls on expenditure which met the original target of a 30% reduction in costs of the central administration. These could not however counteract the financial effects of the subsequent Pandemic, nor the wider financial crisis facing the Church. The aspiration to eliminate operational deficits cannot now be met without some further radical action being taken. Even with significant action the Church is likely to have to live with some level of deficit budgeting for the next five years.

**4.2** At the heart of the issue is the declining number of ministers, members and Church supporters who are involved in the life of the Church and supporting it financially. Alongside this, the Church's structures and decision-making processes continue to reflect a denomination which was, in the past, numerically stronger. Whilst finances cannot drive the vision and future shape of things, it is clear that, in order for the Church to survive and then thrive, the close connections between church involvement, structures and finances need to be understood. The changes required locally, regionally and nationally to move the Church of Scotland onto a more secure financial footing are significant and wide-ranging.

**4.3** Due to the scale and scope of activities being supported at local, regional and national levels, and combined with our cumbersome structures, it becomes very difficult to reduce costs without further radical action. To date, the elimination of deficits has not been possible due to our changing financial circumstances however significant further change is underway and the Assembly Trustees are committed to seeing this through. In making significant reductions in our expenditure it is recognised that we also need to invest in the following areas (1) fulfil the implementation of the new Presbytery structures; (2) transition from the former Ministries and Mission system to *Giving to Grow*; (3) launch the Seeds for Growth Fund; and (4) invest in the recruitment of more ministries. The additional investment will require further reductions in other lower priority work areas.

**4.4** With these changes come big challenges. Other than its reserves, the Church's main source of funding comes from its congregations. If congregational income falls off as quickly as is currently predicted, then the only means of paying ministers stipends and staff salaries will be from the Church's General Fund. Based on our estimates, the General Fund will be extinguished by 2026-2027 depending upon the assumptions used.

**4.5** The significant financial investment in Seeds for Growth needs to deliver real growth, turning around the Church's situation from scarcity and decline into spiritual and numerical growth, fruitfulness and generosity. The Trustees acknowledge that we are in a transition phase with Presbytery Mission Planning, Seeds for Growth, Giving to Grow and development of financial priorities all running concurrently. All of these matters need to come together to achieve sustainability for the Church.

**4.6** The 2024 budget and rolling budget for 2024-2028 will be brought to the Assembly in the Supplementary Report. Based on our financial modelling, these will show a continuing and damaging reduction in congregational contributions unless mitigating action is taken, and that deficits will return to the pre-2019 level. We currently predict that contributions from congregations will fall dramatically between 2024 and 2028. Part of the reduction is because the new Giving to Grow scheme is intended to leave more income at a congregational level. The direct cost of parish ministers and Ministries Development staff is also predicted to reduce, but we believe there will come a point within this time span where congregational income will not cover the costs of parish ministry even with the rapidly reducing levels of ministers. It is at that point the General Fund will need to pay for stipends and staff salaries as well as other costs.

**4.7** The presentation to the General Assembly of a budget which needs to be created some eighteen months in advance has always proven to be problematic. Due to the increasing financial uncertainty and forthcoming constraints, the General Treasurer and Assembly Trustees request that the timetable for budget presentation is altered in that a five-year rolling budget continues to be presented but the budget for the current year is presented retrospectively. This will increase the accuracy of budget reporting and will be of benefit to the Assembly in terms of actual monies available within that year. These proposed changes require an amendment to the Constitution and Remit of the Assembly Trustees which are outlined in Appendix 3. The proposed deletion of sections remove wording that is either no longer relevant (clause 34) and the timescales which are currently problematic (clauses 35 & 36)

**4.8** The Trustees' work on setting priorities is well underway, with high level financial priorities having been set. It is worth stating that these priorities are not intended to measure the worth of any area of the Church's work. It is never easy to let go of work that is loved and valued by the Church, or which enthuses young people or attracts new people, but there has to be a more realistic expectation of the nature and breadth of support which the national offices can provide to the wider Church. This support has been provided for a sum which has been held relatively stable whilst at the same time the need for governance, Information Technology and other statutory costs has risen. Furthermore, additional support and budget are now being provided to the new Presbyteries, adding further pressure to the overall financial position.

**4.9** Congregations and reserves cannot fund everything we would like to do. At the same time as acknowledging and getting behind the programmes the National church has already developed in line with the strategic and financial priorities, proposed new programmes need to be thoroughly evaluated against those priorities too.

**4.10** In setting up the Seeds for Growth Fund, in line with the Radical Action Plan, the Trustees acknowledged that the Church's "rainy day" had come. Using a significant portion of the Church's reserves in this way is a statement of belief in the plan to reinvigorate the local church. The new Giving to Grow scheme was seen by the Ministries and Mission Review Group as another way of encouraging and supporting the local church and new mission initiatives are already being developed by congregations whose contributions to the National Budget have reduced.

**4.11** In order to realise this vision fully, hard decisions will need to be made now so that resources can be concentrated where they are needed. How then can we approach this challenge?

**4.12 Congregational contributions:** We have radically changed the system for funding ministries and mission to encourage congregations to grow their income and use this for local purposes. This was the expressed intention of the General Assembly. It is true that with congregational income decreasing, even the former allocation system could not have maintained the previous levels of contributions, but it did provide a measure of certainty. One of the principles behind Giving to Grow was that Presbyteries could work at a local level to redistribute income by amending presbytery dues or other means.

**4.13** The Giving to Grow regulations include provision to review the system but it would be premature to make any changes before the first year of operation has been completed. Our forecasts indicate that by 2026 the contributions will barely cover the direct costs of ministries. Any moves to reduce even further the contributions towards the cost of ministries, when it could be very dangerous. We are listening to the feedback from congregations and Presbyteries and there will be some anomalies just as we predicted when the General Assembly approved the new scheme. During 2023/2024 we therefore propose to review how the scheme is operating and bring any necessary modifications to the 2024 Assembly.

**4.14** In the meantime, we encourage congregations and Presbyteries to continue liaising with the Stewardship and Finance Department as to application of the current regulations.

**4.15 Income Generation:** The Church at all levels must consider how to increase or replace income in meaningful and appropriate ways. This can serve as a way of engaging more people and partner organisations in our work, as well as resulting in a more financially stable future. This is an area which the Trustees will be investigating closely over the forthcoming period.

**4.16 Rationalisation:** The metaphor of pruning in order to grow is a familiar one within the church, and within the Church of Scotland the time for pruning is now. The National Budget expenditure needs to be cut back to the absolute basics such as recruiting, training and supporting ministers and providing practical support to congregations and presbyteries. We need to recognise the value of our ministers and Ministries Development Staff but also need to focus on how they will become the leaders who can reinvigorate the Church of the future.

**4.17** As a result of this pruning, national programmes will be affected. It is clear that much of this work can be and is being carried out by local churches, and this is to be encouraged.

**4.18 Seeds for Growth:** This is currently planned to be funded from General Funds. Consideration needs to be given to backing the Fund with alternatives such as income generation from potential donors and other sources. The Seeds for Growth Committee will consider this alongside the Finance Committee as the work develops.

**4.19 National Buildings:** The Church is in the fortunate position of owning its national buildings – namely, the Offices at 121-123 George Street, General Assembly Hall, Scottish Storytelling Centre and other properties. The rolling budgets incorporate the most basic expenditure to maintain these buildings but the potential expenditure could be much greater. Long term decisions on the future of these properties must be made to enable robust plans for future expenditure to be developed that are balanced by the opportunities for income generation. We should consider rationalising our buildings, making better financial returns from them or where they are no longer required, dispose of them.

**4.20 General Assembly:** How can this be reformed to be more in proportion to the reduced number of ministers and members without detracting from its role and sovereignty? The annual cost of the General Assembly, Moderator and upkeep of the Assembly Hall and Rothesay Terrace is £0.8 million. This is based on a hybrid General Assembly which has allowed costs to be reduced. As noted below, only essential health and safety work is being carried out on the Hall due to budget pressures.

**4.21 Funds:** By 2016 the former Mission and Renewal Fund had been completely extinguished due to having supported the budget for over a decade. As a result of a detailed review of our funds, £75 million was reclassified into the new General Fund. This new Fund has already reduced due to funding operational deficits and, as stated above, will be extinguished by 2026 to 2027 unless serious actions are taken.

**4.22** Further progress has been made with the submission to OSCR of a reorganisation scheme for the £15.8 million Salvesen Fund which, if approved, will fund our overseas work with partners. A further review of other former World Mission funds is to be undertaken when staff resources permit. These steps should protect some of the Church's work overseas.

**4.23 CrossReach:** In 2022, CrossReach's income represented almost half of the Unincorporated Entities' income and expenditure. The Special Commission of 2019 proposed that it should work towards financial self-sustainability. CrossReach is devising a route map towards achieving this, including establishing the necessary financial boundaries within the national Church budgets. The Assembly Trustees have agreed £1.115 million funding to CrossReach for 2023. The relevant senior managers are now working together to seek to increase external funding of CrossReach in order to reduce the central church contribution. The work of CrossReach and its contribution is considered later in the report.

**4.24** Whilst work is already underway on several of the areas above, a number of matters are dependent on the will of the Assembly. Over the next year, the Trustees will be developing proposals to present to General Assembly 2024, mindful that it will take some time for the impacts of changes to be financially realised.

**4.25** The Church is distinctly different from other charities, but it is a charity nonetheless. The charity sector is facing more financial challenges than ever before including subsidising the work of government, not only in providing social services, but community outreach and practical help for society's poor and marginalised. The current economic climate has added huge costs to salary budgets, reduced investment income and impacted on the income of congregational members. There may be a recovery, but in the meantime, the Church's reserves will be heavily drawn upon, and these can only be used once.

## 5. GIVING TO GROW CONTRIBUTIONS

**5.1** The new Giving to Grow scheme became effective from 1<sup>st</sup> January 2023. Draft statements were issued to Presbyteries in September 2022 and final statements to congregations in December 2022. In the lead up to this, the Stewardship and Finance Department conducted a series of webinars and surgeries on the new system; the Stewardship Team is to be thanked for hosting these events and preparing comprehensive follow-up handouts. Inevitably though, the Finance Team received a very high number of enquiries after the final statements had been issued and it has taken some time to work through these. One of the principles behind the scheme is transparency; this includes providing congregations with the details of their income base which was previously only provided on request. Enquiries are therefore focusing on what income is and is not assessable. The following website link contains a tool which congregational treasurers can use to calculate their assessable income and their Giving to Grow contribution, and many have found this very useful for budgeting purposes: <https://www.churchofscotland.org.uk/about-us/stewardship-finance-and-trusts/congregational-contributions-giving-to-grow>

**5.2** The regulations for the new scheme are clearer in relation to assessable income. Some amendments for clarification of the regulations are being proposed to the General Assembly and these are included at Appendix 1.

**5.3** The Assembly Trustees would like to acknowledge once again the continued faithful commitment of many of our Church members and adherents in maintaining their offerings to the Church. We thank all the congregational treasurers and office-bearers for their service during these challenging times.

#### **5.4 Voluntary Contributions**

**5.4.1** Under the new *Giving to Grow* scheme, around 70 congregations are not contributing towards either Ministry Here, Ministry Elsewhere or Shared Activities. There are various reasons for this: the charge's income may be relatively low and together with the application of vacancy allowance, income from the Stipend Endowment Fund, rent received from glebe land or transition funding the contribution balance is negative and is therefore restricted to zero. 75% of congregations are contributing less under *Giving to Grow* than under the previous Ministries and Mission scheme. This could cover a wide range of scenarios from those paying only marginally less to those paying substantially less.

**5.4.2** Sharing what we have is an important part of what it means to belong to a national church. Our commitment to providing ministry across the whole of Scotland is contingent on the sharing of resources.

**5.4.3** The finance team has already been approached by a few congregations who would like to make voluntary or additional contributions towards the scheme, despite not being required to do so under its terms. These congregations see giving to support the Church and other congregations as an important part of living out the tenets of their faith. As a national and Presbyterian denomination, we believe that churches are connected to one another as part of the church universal. By supporting each other, we strengthen the church as the body of Christ and act out the grace and generosity shown to us by God. Acts 4 recounts the ways in which the early church demonstrated this kind of attitude: "the believers were one in heart and mind. No one claimed that any of their possessions was their own, but they shared everything they had... and God's grace was so powerfully at work in them all that there were no needy persons among them."

**5.4.4** The Trustees recognise the financial pressures on many congregations. The *Giving to Grow* scheme takes account of the different contexts and circumstances across our churches. Not every congregation will be in a position to make voluntary contributions; their contribution to the wider Church and to their own communities comes in many different forms and expressions, and we acknowledge this. But for those congregations who are in a position to contribute and who are not currently obliged to do so, and for those whose contributions under *Giving to Grow* are significantly lower than under the Ministries and Mission scheme, we would ask you to consider this matter, reflecting on the privilege of supporting work which will bear fruit in other places for God's kingdom.

**5.4.5** The regulations allow for more formal Giving Agreements but congregations are also welcome to make additional payments simply by notifying the Stewardship and Finance Department when they have done so.

#### **5.5 Congregational Contributions**

**5.5.1** As is customary, due to the timing of printing deadlines, full details of congregational contributions and the budget proposals for 2024 and indicative budgets for 2025 to 2028 will be presented in the Supplementary Report. The budget will include estimates of the contributions payable by congregations under the *Giving to Grow* scheme.

**5.5.2** Congregational contributions are required to support the work of the Church. They fund Parish Ministries, the programmes of the Forums and Committees and the work which supports congregations and Presbyteries. During the first year of the Pandemic (2020) the local Church suffered a reduction in its assessable income of 15%, £12.4 million compared to the year before. In 2021 there was an increase of £1.1 million, up 1.5% from 2020. This was still £11.3 million, 13.2% below pre-pandemic levels and follows a trend in reducing assessable income in real terms which was taking place before the Pandemic.

**5.5.3** As well as the effects of the Pandemic and decline in membership the move to *Giving to Grow* has fundamentally changed the way contributions to the National Budget are made. In 2020 before the start of the Pandemic net congregational contributions receivable were £47.7 million. In 2023 this has reduced to £38.9 million, a difference of 18.4 percent.

**5.5.4** Congregational financial statistics schedules help gauge the levels of congregational income, the key element upon which the Church's budget is based. The initial analysis of the 67% of on-line returns received to date for 2022 congregational income indicates a decrease of 4% in offerings compared to 2021. With some recovery in other income such as hall lets the indication is for an overall 2% reduction in the assessable income of congregations which is in line with our previous forecasts.

**5.5.5** By 31 December 2022, congregations had remitted £38.7 million in Ministries and Mission contributions, which was 96.6% of the final adjusted total for 2022. In cases where congregations are unable to pay their full allocation, the Assembly Trustees encourage Presbyteries to engage with them and offer assistance where appropriate. Feedback from several Presbyteries has indicated that they have had successful discussions with congregations over the payment of contributions.

**5.5.6** The Assembly Trustees wish to record their sincere thanks to all congregations for their 2022 Ministries and Mission contributions, with a particular thank you to the congregations who do so by standing order and to all congregations which met their contributions in full by 31 December 2022.

## **6. RESULTS OF NATIONAL BUDGETS**

### **6.1 2022 RESULTS**

**6.1.1** The Trustees' final 2022 budget for the Unincorporated Entities was for a deficit of £6.4 million from National Reserves including CrossReach, the Housing and Loan Fund, The Guild, New College Funds and miscellaneous trusts. The budget includes income of £99.5 million and expenditure of £105.9 million.

**6.1.2** The actual unaudited operating result for the Unincorporated Entities in 2022 was a deficit of £2.4 million and the reasons for the improvement are outlined below. The reduction in funds for the year was £18.1 million once unrealised investment losses of £17.2 million and realised net gains on property and investments were included.

**6.1.3** 2022 was the final year of the former Ministries and Mission system. Congregational Contributions recognised in the accounts were £41.6 million including stipend endowment and glebe income.

**6.1.4** Legacies to the National Church, both unrestricted and for more specific work including CrossReach, were £2.4m which was more than budgeted and the Assembly Trustees gratefully acknowledge the generosity of those who provided for the Church in their wills.

**6.1.5** National departmental deficits were better than budget by £4.4 million.

**6.1.6** The Faith Nurture Forum, which includes the cost of Parish Ministries, had net expenditure of £40.7 million compared to a budget of £41.8 million, £1.1 million less than budgeted. Stipend and MDS salaries were £0.5 million below budget and the Forum made its other expenditure savings on work programmes and grants.

**6.1.7** The Faith Impact Forum had net expenditure of £1.2 million for the year compared to a budget of £1.5 million. The cost savings were the result of vacant mission partner posts and reduced grant payments. Support and Services Departments also managed to save £0.6 million against their total budget of £5.3 million including underspends on staff salary costs.

**6.1.8** Due to the hybrid format of the 2022 General Assembly, the Office of the General Assembly saved £0.4 million against its budget of £1.9 million. As well as the General Assembly and Moderator, this budget includes Ecumenical Relations, payments to the World Churches and the Theological Forum.

**6.1.9** There was an underspend of £1.5 million on Other Trusts and Funds, mainly the Housing and Loan Fund which is overseen by an independent Trustee body. The Fund had a budget of £1 million for its property improvement programme which could not be used during 2022.

**6.1.10** CrossReach budgeted for a deficit of £2.2 million and by the year end had an actual deficit of £2.6 million. This included significant additional net costs in Older People Services, as much of the extra staff costs were mitigated by additional income. This reflects the difficulties in running these funded services in the care sector as a whole, including a need to build up occupancy after the pandemic which had fallen to under 80% and severe difficulties in recruiting care staff. The continuing effects of the Pandemic were managed within operating budgets, and sustainability payments continued to be received from Local Authorities post Pandemic.

### **6.2 FINAL 2023 BUDGET**

**6.2.1** The indicative budget presented to the General Assembly in May 2022 for all of the Unincorporated Entities, including CrossReach, Housing and Loan and all Other Funds was for a deficit of £8.7 million. The Assembly Trustees approved a final deficit budget for 2023 of £7.7 million to be drawn from National Reserves.

### **6.3 FORWARD BUDGET**

**6.3.1** The Trustees' Supplementary Report will contain an outline budget for the years 2024 to 2028. There are already strong indications that this will be substantially worse than the 2023 budget, hence the urgency with which some of the mitigations noted above need to be implemented.

**6.3.2** Risks to the budgets include the effects of Presbytery Mission Planning and uncertainty around recruitment of ministers, as well as the continued roll out of *Giving to Grow* which mean that these numbers will be best estimates.

---

## **7. PRESBYTERY FUNDING**

**7.1** The funding of Presbyteries comes from a variety of sources including congregational contributions, Presbytery Dues, local investment and fundraising income. In addition, a block grant is supplied from the national finances. During 2022, £0.6 million was provided to Presbyteries for their running costs. This included early funding for those new Presbyteries commencing in 2023. From consultations and discussions with the newly forming Presbyteries, it has become clear that no two are likely to be exactly the same, although there are common elements. The Assembly Trustees have therefore not been prescriptive as to how the core funding should be used for the efficient running of a Presbytery.

**7.2** Under the Presbytery Mission Plan Act, much is expected of our Presbyteries and they too will have to work towards long term sustainability. Presbyteries should aim to grow their income and develop plans for financial sustainability alongside Presbytery Mission Plans. The Assembly Trustees will continue to work with Presbyteries as they ensure that financial and other resources are available for their work in the long term.

**7.3** The National Office is providing payroll and pensions auto-enrolment functions as a service provider and with service agreements in place. Other departments have been heavily involved with advising the new presbyteries as they recruit and appoint staff and implement IT and other systems.

## 7.4 FUNDING ARRANGEMENTS FOR THE PRESBYTERIES OF ENGLAND AND INTERNATIONAL CHARGES

**7.4.1** Following GA 2022 and the instruction for the consideration of a five-year budget for the Presbyteries of England and International Charges, the Chief Officer and General Treasurer have been in discussions with the two Presbyteries on behalf of the Trustees. Agreement has been reached for funding the Presbytery of England (POE) and the Presbytery of International Charges (POIC) from the National Budget: for POE (not historically funded from the national) £20k in 2023, £15k in 2024, £10k in 2024 and £5k in 2026, (self-funding from 2027); for POIC (historically grant-assisted from Salvesen Fund) in 2023 a maximum of 43,000 euros to be reduced as far as possible and then phased down over 2024-28. The £80,000 contingency in the budget will cover both Presbyteries. The Trustees acknowledged that there had been fruitful discussions with the Presbyteries and that conversations are to continue with POIC which will include the impact of Presbytery Mission Planning and future planning for Salvesen expenditure.

## 8. PENSION SCHEMES

### 8.1 Defined Benefit Schemes

**8.1.1** The triennial valuation of the Schemes took place as of 31 December 2021 with the Pension Trustees and employing agencies agreeing actuarial assumptions for the valuation. No deficit repair payments are required due to the schemes being fully funded.

### 8.2 Defined Contribution Schemes

**8.2.2** Membership of the Church's Plan has now been made available to staff directly employed by Presbyteries. The Group Personal Pensions Governance Group monitors the arrangements for both the CrossReach Pension Plan and the Church of Scotland Plan for defined contribution pensions. It meets to review the provider's performance reports, service provision and developments, which currently include Environmental, Social and Governance (ESG) and related matters. A review of the investments provided by Legal and General was carried out by the Church's Pension advisors in 2021 and their recommendation to change the default investment fund was implemented 2022. Members may still elect to invest in Legal & General funds of their own choosing.

## 9. STEWARDSHIP

**9.1** The New Testament word which is translated as 'stewardship' is *oikonomia*, which means to manage the affairs of the household, a steward being someone who managed the household or property of another person. We, as Christians, are honoured to be given the role of stewards of God's household – that is, the church. Ephesians 2:19 refers to God's people as members of his household. What a privilege, firstly, to be members of God's household and, secondly, to be honoured with a role in its care.

**9.2** Now is always the right time for exercising our God-given role as stewards. This applies to us collectively as the Church of Scotland – in all its different parts and expressions – and as the universal church of God, but it begins with a personal response, "for we are God's handiwork, created in Christ Jesus to do good works, which God prepared in advance for us to do." Ephesians 2:10

### 9.3 Key Resources

**9.3.1** The *Joyful Generosity* series is a resource which focusses on our personal giving, offering congregations a way to explore the links between God's generous nature and our financial stewardship.

**9.3.2** The *Narrative of Generosity* is a modular resource which encourages a whole-life approach to stewardship. New material has been added in the last year, providing starters for worship, small group study guides and personal devotions on the themes of God, Earth, Vision, Possessions, Gifts and Time. The *Exploring Generosity* series offers intergenerational resources on those same six themes.

**9.3.3** Mindful of the impact of Presbytery Mission Planning on so many congregations, and the related stewardship considerations, the team has produced a resource to help congregations prepare for union. This offers prompts for discussion, reflection and action, and points to additional resources which may be helpful. This material sits under the umbrella of the *Narrative of Generosity* resource and connects with different themes, offering choice and flexibility. Practical guidance on the legalities and financial procedures around unions has been issued to Presbyteries and is available on the website: <https://www.churchofscotland.org.uk/resources/finance-resources>.

### 9.4 Webinars

**9.4.1** Over the last twelve months, the stewardship team has hosted webinars and online surgeries to support congregations with the introduction of the new *Giving to Grow* scheme. This has enabled congregational treasurers, in particular, to better understand the key concepts of the scheme as well as the method of calculation of both assessable income and final contribution. Question and answer handouts have been issued following each event along with links to online calculation tools to aid forward planning by congregations.

**9.4.2** An online event encouraging congregations to get the most from the Consolidated Fabric Fund offered practical advice on the ways in which balances in the Fund's capital account can be invested to generate revenue which can then be used to offset day-to-day buildings-related costs e.g. heat, light, buildings insurance, maintenance.

**9.4.3** Whilst regular, committed, generous and sacrificial giving remains the key way in which we can financially sustain the church, we need to seek out new opportunities for income generation that not only create a more secure financial picture, but which grow and enliven our mission, outreach and discipleship. Fundraising itself can and does act as a powerful form of ministry, by giving people an opportunity to fully invest in the vision we share for the flourishing of our communities.

## 9.5 Digital Giving

**9.5.1** The team has seen an increased number of congregations seeking support and guidance in the area of digital giving. The team is able to support congregations who wish to consider moving to digital giving with discussions ongoing with congregations who have been using digital giving for a longer period of time, in order to learn and share from their experiences.

## 9.6 Legacy Giving

**9.6.1** A legacy gift to the Church is one of the most valuable and lasting ways we can continue to support its mission and its ministry, whether the gift is directed to a local congregation or to the wider work of the Church.

**9.6.2** In 2020, 243 congregations benefitted from legacy income totalling £4.46 million.

**9.6.3** In 2021, 286 congregations benefitted from legacy income totalling £6.66 million

**9.6.4** Based on 658 congregational returns received by February 2023, 233 congregations benefitted in 2022 from legacy income totalling £4.82 million.

**9.6.5** Legacies received for the wider work of the church (i.e. the Unincorporated Entities) for those years totalled: 2020: £1.1 million, of which unrestricted legacies were just under £0.6 million.

2021: £3.0 million, of which unrestricted legacies were £1.2 million.

2022: £2.4 million, of which unrestricted legacies were £0.9 million.

**9.6.6** It was reported to last year's General Assembly that, in a survey of 800 regular church goers in the UK, 89% of those surveyed said they gave regularly to their church, but only 15% planned to leave a gift to the church in their wills. Forty percent said gifts to charities were important, but only 22% said gifts to the church were important. This research suggested that church members were more likely to leave a gift to a charity than to their church and, for the most part, this was due to having been asked by the charity but not by their church.

**9.6.7** Legacy giving is a powerful expression of faith, and churches should not be afraid to be bold in raising its profile among our members and supporters.

**9.6.8** As a first step, we would encourage every Kirk Session to establish and make known its own legacy policy. This is simply a statement of how a legacy gift to the congregation will be used. The aim is to highlight that gifts left to your church will be put to good use, for example, funding work that wouldn't otherwise be afforded. More detailed guidance can be found at: <https://www.churchofscotland.org.uk/resources/stewardship/leaving-a-lasting-legacy-through-your-will>

**9.6.9** As a second step, we invite congregations to engage with a joint legacy initiative in autumn 2023, entitled "Faith will...", involving Christian Aid, the Church of Scotland including CrossReach, Church of England and Quakers in Britain. This initiative was flagged in our Report to last year's General Assembly but, for reasons out with our control, the 2022 legacy 'moment' was postponed and rescheduled for Harvest 2023. Together with our partners, we will be inviting congregations throughout the UK and beyond to participate in this initiative by making time for reflection on the place of legacy gifts within the church context. Churches will be supported with resources, handouts and promotional content. Further information will be communicated to congregations through various channels from May to September.

## 9.7 Looking Ahead

**9.7.1** The Stewardship Consultants cover the whole of the country and those congregations outwith the UK too. They support churches with all aspects of stewardship including digital giving, legacies, Gift Aid and the Gift Aid Small Donation Scheme (GASDS), income generation, personal giving and broad stewardship teaching resources. They can facilitate workshops, day conferences and Kirk Session discussions to help congregations identify their priorities and better steward their resources to ensure that their vision and mission plans are achieved.

**9.7.2** The team continues to seek opportunities to engage more effectively with the regional church and encourages Presbyteries to set aside time for input from their appointed stewardship consultant. This might be within formal meetings of Presbytery or in special events where stewardship stalls or workshops would be welcomed.

**9.7.3** The services of the National Stewardship Team are provided free of charge. Contact details can be found on the Church's website: <https://www.churchofscotland.org.uk/resources/stewardship>.

**9.7.4** The series of stewardship webinars can be viewed on the team's YouTube page here: [https://www.youtube.com/channel/UCqb\\_rm5hFTSGVK00tBFv6og](https://www.youtube.com/channel/UCqb_rm5hFTSGVK00tBFv6og)

**9.7.5** The stewardship newsletter is proving to be another effective tool in reaching the right people with stewardship news, ideas, events and information. Please subscribe through the website: <https://www.churchofscotland.org.uk/news-and-events/newsletters>

## 10 SEEDS FOR GROWTH FUND

**10.1** The General Assembly has frequently affirmed that for the Church of Scotland to play its part in the flourishing of the Gospel, we must embrace a culture which is missional and permission giving. At GA 2022, the Assembly Trustees established the Seeds for Growth Fund. This £25 million initiative, funded through Church reserves and operating across the next seven years, is to support Presbyteries as they help to reinvigorate the local church through mission. New models of church, relevant to their local contexts, must be enabled and allowed to flourish and develop, and coexist with models which historically have served us well. Together we must seek and embrace what has been called "a mixed ecology" of Church life.

**10.2** The purpose of the Fund is to enable pathways whereby members, elders and ministers in the Church, moved and led by the Holy Spirit, might seek to inspire and grow new worshipping communities through pioneer ministry and church planting; and thus, encourage the renewal of the whole Church. The Fund will thus focus on:

- (i) The planting of new worshipping communities;
- (ii) Work focused on the development of new forms and fresh expressions of Church life;
- (iii) Creative engagement with all sectors of society, in particular with those aged 40 and under; and
- (iv) The enablement of community transformation motivated by Christian service.

**10.3** Whilst being managed under the auspices of the Assembly Trustees, the Committee which oversees the Fund is independently chaired with the membership selected through the Nominations Process. The Convener of the Fund will be Rev Neil Glover with the Vice Convener Rev Jamie Milliken. The Fund recognises the importance of effective mission being grounded in local context, and thus it is for Presbyteries and groups of Presbyteries to discern their own missional opportunities and make application.

**10.4** The Fund will not be prescriptive although it will require proposals to demonstrate, particularly in respect of the larger grants, how each new expression of Church can become self-sustaining.

**10.5** The Fund will be seeking initiatives which are new, and experimentation is welcomed. The intention is that as Seeds for Growth becomes established, the learning taken from the different initiatives are fed back both into the wider Church and into the Fund's design.

**10.6** The Seeds for Growth Committee met for the first time in March 2023, with proposals for the different fund sizes and arrangements for distribution of monies being discussed. Prior to this, wide ranging consultation and guidance has been taken from those with expertise in missional church, building a discipling culture, and growing New Worshipping Communities. The Church of England has been heavily consulted (including colleagues from Holy Trinity Brompton, Fresh Expressions and HeartEdge based out of St Martin in the Fields, Covent Garden) with knowledge gathered from previous funds and initiatives operated by the Church of Scotland (including Go For It, New Charge Development and Church Extension). As thinking has developed, Presbytery Clerks have been consulted to ensure that the fund fits with the needs of the newly forming Presbyteries. This close working relationship with Presbyteries will continue throughout the Fund's existence with Presbytery input at all levels of the fund's operation remaining essential.

**10.7** The Fund will formally launch on the 1<sup>st</sup> June 2023 with information available from the week of the General Assembly in respect of fund size available, criteria for application and the assessment process. The more significant levels of grant giving are to commence in 2024. Further information is available through contacting [grants@churchofscotland.org.uk](mailto:grants@churchofscotland.org.uk).

**10.8** In light of real-world experience in setting up the Fund, minor amendments are required to the Governance arrangements contained in the Schedule to the "Seeds of Growth" Fund Regulations 2022, and the General Assembly is requested to agree changes as outlined in italics below.

**10.9** Work is commencing with Presbytery Clerks regarding the creation of a pool of assessors from Presbytery representatives. Once again, to provide a level of flexibility the Committee propose the following change to the Regulations:

Delete the following words in numbered paragraph 3 of the Schedule to the Regulations under the heading "Governance":-

*"(3) In carrying out their duties the Committee will engage with applicants through regional teams and carry out the process of assessment in partnership with local Presbytery representatives. Each team shall be convened by a member of the Committee and shall comprise two members of the Committee, in addition to two other persons with local knowledge chosen by the Presbytery. Each team shall be appointed to work within the life-cycle of the purpose for which the grant application is being considered. Once a grant application has been approved by the Committee, a team shall report to the Committee both in respect of the terms of the grant and also for determinations on any matter requiring consideration outwith the terms of the grant".*

To be replaced with:

*"(3) In carrying out their duties the Committee will engage with applicants through regional teams and carry out the process of assessment with local Presbytery representatives. The Committee shall have the ability to co-opt additional non-voting members who hold requisite expertise in certain areas onto the Committee as required".*

**10.10** From the Church of Scotland's own experiences, as also experienced in the Church of England, administering small grants takes considerable time within Committees, it would therefore be beneficial for this process to be conducted by a member of staff following set criteria for awards. Should there be any query relating to a potential award, this can be referred to the Committee, in line with the financial regulations of the Church of Scotland. We therefore propose the following addition to the Governance criteria as a new paragraph 5, the subsequent paragraphs being re-numbered:

*"(5) Grants of £1,000 and below can be awarded at the discretion of the Grants Manager. Any such grants awarded will be presented for information to the next meeting of the Committee".*

## 11 THE SOCIAL CARE COUNCIL

**11.1** The role that CrossReach plays in relation to the Church of Scotland and indeed Scottish life is significant but not recognised as it should be. Cross Reach provides residential support to some 700 people, with a wide variety of needs, aged between 7 and 97 and beyond. It also offers care and support to thousands of people each year who are dealing with complex issues arising from mental health, old age, homelessness, family breakdown, addictions, criminal justice, and exclusion, to name a few of its activities. Support is, as far as possible offered for as long as in needed with some supported people accessing CrossReach services for a short time and some for many years. The Church of Scotland should be proud and claim aloud the work that is undertaken in its name, providing support to those in need. The relationship that CrossReach has to the wider Church was highlighted through the Special Commission Report and Radical Action Plan of 2019. The Assembly Trustees formed a task group in 2022, chaired initially by Lord Wallace and subsequently by Ian Forrester, KC. At the time of report writing, the results of this review, which involved close working with CrossReach are being considered.

**11.2** In terms of operations, CrossReach now accounts for approximately half of the Church of Scotland's total income and expenditure. Despite the best endeavours of the CrossReach Board and management, due to the continuing pressure on funding from local authorities, reduction in spend from central Government, impact of Brexit, Covid, the cost of living crisis as well as issues related to recruitment and retention, the financial picture presented from CrossReach is challenging. An agreed rise to Living Wage in June 2022, negotiated with the Trustees, which was not fully covered by Scottish Government did put pressure on the 2022 budget and continues to have an effect in 2023. The Church has and will continue to support CrossReach through this period of financial difficulty whilst progressing towards a place where CrossReach is self-sustaining. The challenging position facing social care across the UK is well known and understood, and the Church of Scotland needs to be part of the vanguard which turns the tide to ensure that those most vulnerable in society become the most treasured and that staff working in this arena (in any of the care providers) are properly recompensed and supported in the roles they do. Work will be continuing over the next year between the Trustees and CrossReach in terms of seeking an agreed financial way forward and for ensuring that CrossReach has a heightened profile within the Church's work.

## 12. HOUSING AND LOAN FUND

**12.1** The Trustees, through the Chief Officer have continued to work closely with the Housing & Loan Trustees through the year in order to establish how surplus funds could be used for the benefit of the wider Church. The Housing & Loan Trustees are undertaking a Strategic Review of the fund with the Assembly Trustees remitting their input into this work to the Chief Officer to take forward on their behalf. The Housing & Loan Trustees intend to complete this work prior to GA 2024.

## 13. SPECIAL TASK GROUP (D10) – PROPOSED GOVERNANCE ARRANGEMENTS FOR THE WORK OF THE FAITH ACTION PROGRAMME

**13.1** In 2019 the General Assembly approved a report from the Special Commission on Structural Reform which sought to bring about leaner and more responsive structures in the national work of the Church. That report envisaged a continuous process of reflecting on the Church's national work, and evolving the structures which would ensure its effectiveness.

**13.2** In 2020 the General Assembly agreed the Faith Action Plan presented by the Assembly Trustees. The Faith Action Plan relied on the aspiration for the Church agreed by the General Assembly: to be a Church which seeks to inspire the people of Scotland and beyond with the Good News of Jesus Christ...through enthusiastic worshipping, witnessing, nurturing and serving communities. Underpinned by the Five Marks of Mission, the Faith Action Plan followed on from the Radical Action Plan and set high-level outcomes. The vision was that Kirk Sessions, Presbyteries, the Assembly Trustees and the General Assembly would generate robust plans for the future and these would be integral to delivering the Faith Action Plan outcomes. [[The Faith Action Plan](#) | [The Church of Scotland](#)]

**13.3** Faith Action Programme is the national dimension to taking forward the Faith Action Plan. This single, integrated, programme was to incorporate the work of the Faith Nurture and Faith Impact Forums. In 2022 the Assembly Trustees recommended that a single Leadership Team should oversee the Faith Action Programme with four Programme Groups taking forward the detail. The General Assembly commended the continuing involvement of the two Forums in the development of the Faith Action Programme, and instructed the Assembly Trustees, to bring a detailed structure for the new arrangements to this year's General Assembly.

**13.4** The work of developing these detailed proposals was carried out by the Assembly Trustees' Strategic Planning Team (the "SPT"). This was convened by the Assembly Trustees' Administrative Trustee and comprised Vice Conveners from the Faith Impact and Faith Nurture Forums, the Conveners of the Theological Forum and the Ecumenical Relations Committee, the Principal Clerk, the Head of the Faith Action Programme and a number of other individuals with considerable experience of the national work of the Church. The SPT is grateful to Kay Cathcart and other staff for providing essential support for its work, and the Trustees are greatly appreciative of the collegiality and commitment of the SPT.

**13.5** As set out in 2022, the single Leadership Team is to lead and champion the Faith Action Programme. This is a limited life Programme, running from 2023 to 2028, with review in 2025 (previously 2026). The key aim of the Programme is to equip and support the local Church in its mission. The principal definition of mission being used is the Five Marks of Mission. As well as People & Training and Mission Support the programme also encompasses the national work of the Church in speaking on Public Life and Social Justice, partnering with the World Church and overseeing a number of the Church's entities which have a commercial element.

**13.6** As part of the Forums' continuing involvement in the development of the Faith Action Programme, they have approved the overall priorities for the Faith Action Programme which in turn align with the Assembly Trustees overall view of priorities. The purpose of the Faith Action Programme is to equip people to live out the mission of God. This is detailed as: to equip the people of God in the Church of Scotland and beyond to be disciples; to equip the Church so it is best able to glorify God, love God and confidently serve its communities, and impact people's lives through the missional marks; and to build God's kingdom in Scotland.

**13.7** In terms of the priorities we describe earlier in this report, the work within the Programme will include the role of the Faith Nurture Forum in regard to Mission Planning, linking with the Church internationally, and input into new worshipping communities. As indicated elsewhere, including in the Faith Action Plan, the focus is to recruit and train for inspirational leadership in our Church which includes proposals developing around a Ministries Apprenticeship scheme.

**13.8** It is in this exciting context that we set out what the SPT has developed as the proposed governance structure for the Faith Action Programme, and the remits for the Leadership Team and Programme Groups. These are informed by our work as Assembly Trustees on priorities, by detailed work within the SPT and by the Forums' work, with the Programme staff, on the priorities for the Programme.

**13.9** The proposed governance structure is:

- a. That there be an overall Faith Action Programme Leadership Team (previously referred to as the "Active Faith Leadership Team" and in this Report referred to as "the Leadership Team")
- b. That this Leadership Team comprise:
  - A Convener
  - Vice Conveners each with the responsibility of leading a Programme Group (one of the Vice Conveners to be designated Depute Convener)
  - Nominees who will first have been nominated by Presbyteries before receiving final nomination from the Nomination Committee
  - Nominees who are directly nominated by the Nomination Committee
  - A representative from each of the Ecumenical Relations Committee and the Theological Forum
- c. That there be four Programme Groups with responsibility respectively for:
  - Mission Support (previously referred to as "Mission")
  - People and Training
  - Public Life and Social Justice (previously referred to as "Public Life and Global Justice")
  - Resource and Presence.

**13.10** The rationale for this new structure closely aligns with that agreed in principle at the General Assembly of 2022. In essence the aim is to balance cohesion (for one overall Faith Action Programme, and overall priorities within that) with focus (so that small Programme Groups, whose members have particular expertise, will be trusted to work on the detail of policy). The detailed rationale and process are given in the Assembly Trustees' report to the General Assembly of 2022.

**13.11** Although major work has been done to identify priorities within the Faith Action Programme, these need to be implemented and continued prioritisation within the national work of the Church remains a key objective. The creation of one unified structure for the Faith Action Programme is designed to enhance continued prioritisation, taking account of agreed budgetary constraints, and its implementation.

**13.12** In 2022, the Assembly instructed that detailed proposals for the Ecumenical Relations Committee and the Theological Forum in relation to the structural arrangements for the Faith Action Programme should be brought whilst retaining their direct accountability to the General Assembly. In response, the first step was to involve the Conveners of both Agencies in the work of the SPT from the outset, with a view to reaching agreement on the relationship with the new structure and whether any remit or membership changes were needed. Both Conveners made a substantial contribution to the discussions and, having conferred together and with the rest of the SPT, the conclusion is that both Agencies should be represented on the Leadership Team. It is considered that this will suffice to ensure good integration and communication as the new structure becomes established and be the position unless and until it becomes evident that other changes are appropriate in relation to these Agencies.

**13.13** Regarding Mission Planning, final approval for Presbytery Mission Plans (in terms of the Presbytery Mission Plan Act) will rest with the Leadership Team and it is proposed that PMPIC will be retained, as a sub-group of the Mission Support Programme Group, until December 2025. It is anticipated that the Leadership Team will seek to retain those members of PMPIC who wish to continue, and will make any new appointments if required.

**13.14** Considerable discussion within the SPT related to Presbytery-nominated members, and the process by which they were to be appointed. The SPT concluded that these members were not "Presbytery representatives" with the expectation that they would represent the views of their Presbytery, but would have freedom to represent their own views in the context of the needs of the Presbyteries. In this respect, their role is similar to that of Commissioners to the General Assembly. Ensuring that the Faith Action Programme is closely aligned with the work of Presbyteries was a key factor in SPT's thinking.

**13.15** With the agreement of us as Assembly Trustees and the Nomination Committee, Presbyteries were requested to nominate two possible members for the Leadership Team. This was so that the Nomination Committee could assess and as far as possible ensure the overall diversity of the Leadership Team. As Assembly Trustees we note the complexity that this, and the number of appointments needed, has added to the work of the Nomination Committee and we express our gratitude to Nomination Committee members and support staff.

**13.16** One aim of the Church's restructuring, which began in 2019, was the devolution of national work to new expanded Presbyteries. Now that most of these new Presbyteries are in place, it is time to assess and identify which areas of the Faith Action Programme should be devolved to Presbyteries. It is hoped that the prominent role of Presbytery-nominated members in the new Leadership Team will give increased impetus to this.

**13.17** The SPT reported to us as Assembly Trustees how vital they see 'culture', and the importance of openness, a willingness to ask difficult and challenging questions, and effective delegation. We agree with their thinking that the work of the Faith Action Programme is spiritual work, going to the very heart of who we are as a Church. We therefore support the SPT's encouragement of ongoing training and reflection among all those involved with the Programme and the development of measures to assess progress on its implementation, not simply in delivery terms, but also in terms of values and culture. We also recognise how complex decision-making can be across our organisation, and support the strong emphasis from the SPT on effective delegation, both from the Leadership Team to the Programme Groups, and to staff. As our main report shows, simplifying our processes is important, and we must use people's precious time well. All of these developments require courage and must be rooted in prayer.

**13.18** The Assembly Trustees take this opportunity to thank the Faith Nurture and Faith Impact Forums for the work they have undertaken since being formed in 2019. Theirs was already a monumental task, to bring together the work of four large Councils, and to do so by working in a new way. That they did this through the unique circumstances of lockdown in the first two years of their life is a significant achievement. To carry out their work with the prospect of further restructuring added further challenges. The Assembly Trustees express their gratitude to all the Forum Members, in particular to the Forum Conveners and Vice Conveners.

**13.19** The proposed Structure and Remit of the Faith Action Programme Leadership Team is set out in Appendix 3.

---

## **14. SALVESEN FUND**

**14.1** Following discussions between the Trustees and members of the Faith Impact Forum as trustees of the Salvesen Fund, in 2022 an application was submitted to the Office of the Scottish Charity Regulator to widen the trust purposes of the Fund. If the application is approved, the new purpose will enable the Fund to provide support to the Church of Scotland in its work as it labours, itself or through its partner Churches, organisations, or communities, for the advancement of the Kingdom of God throughout the world (but outwith the United Kingdom and Channel Islands) through Christian worship, fellowship, instruction, mission and service.

**14.2** It has been agreed between the Assembly Trustees and the Faith Impact Forum that authority should be sought from the Assembly for the appointment, as from 1 June 2023, of the members of the Assembly Trustees to replace the members of the Forum as the ex officio trustees of the Salvesen Fund. The Salvesen Trustees will continue to meet twice a year in June and November and will be supported by the Mission Support Programme Group of the Faith Action Programme Leadership Team who, with input from the Salvesen Trustees, will oversee the normal administration of the Trust and will consider applications and bring recommendations to the full body of Salvesen Trustees as regards the suitability of applications for consideration for grants.

---

## **15. EQUALITY, DIVERSITY AND INCLUSION (EDI) GROUP**

### **15.1 Introduction and Overview**

**15.1.2** Equality, diversity and inclusion (EDI) continues to be a growing and developing area of work under the governance of the Assembly Trustees. The EDI Group's vision for the Church is that all people are welcome and that everyone who visits a congregation, the national offices and any other Church setting, can discern this as a result of welcoming attitudes and behaviours, the built environment and the atmosphere that everyone plays a role in creating. 2022-2023 has been focused on continuing to progress the three strategic priorities for the EDI Group, fixed for the next five years, and the programmes of work that have developed around them. These priorities are: racial justice, disability inclusion, and conduct and culture. Each of these priorities have a corresponding group made up of EDI Group and co-opted members with specialist interest and expertise in these areas. In general terms the EDI Group has also responded to inquiries and initiatives relating to policy, procedure and themes of work which do not fit within the recognised priorities and areas of ongoing work.

### **15.2 Racial Justice**

**15.2.1** The Racial Justice Group has been continuing and completing the research project it embarked on in 2021. This was to learn from the experiences of ethnic minority members of the Church and from congregations which have a higher than average representation of congregants from an ethnic minority background. The full report from this research can be found on the website <https://churchofscotland.org.uk/more-inclusive-church> This work will provide the Church with a set of key insights, alongside others gleaned from the work the group has done in other areas, to improve the collective knowledge of the Church on the experiences of those from an ethnic minority background. The intention is to help the Church recognise examples of good practice as well as areas for reflection and improvement, for example to shape policies and procedures, inform beliefs, design and target training, and improve structures in the Church. Given that racial justice is relevant to so many aspects of the life of the Church training and facilitated discussion will be core components as the EDI Group seeks to improve the capacity of individuals to recognise issues and feel at ease with discussing 'race', racism and racial justice issues. This will help those disclosing an experience of racism to receive an empathic and a compassionate response, as well as being offered an appropriate set of options to formalise a complaint, if necessary. Overall, this work is one part of helping the Church to name the fact of racism which exists in all parts of society. The ordinariness of the interpersonal, systemic and institutional nature of the problem requires the Church to be intentional in embedding racial equity goals in all areas of Church life.

**15.2.2** The Racial Justice Group was also involved in the parallel research on the legacy of slavery, which brings to the attention of the Church many similar lessons and poignant moments for reflection that the contemporary research has done. Together, what we have learned from our past and our present may inform and inspire our work for justice and inclusion in the future. The full report on the legacy of slavery and the Church of Scotland is included in the report of the Faith Impact Forum, with a related deliverance.

### **15.3 Disability Inclusion**

**15.3.1** The overarching aim of the Disability Inclusion Working Group (DIWG), is to support and enable Church of Scotland congregations to proactively seek to cultivate a culture where they are communities of belonging for all.

**15.3.2** What is the DIWG doing?

**15.3.3** In order to support and enable congregations effectively to meet this aim, the DIWG has begun its work in the following ways:

- *Gathering insights directly from those who have lived experience of disability.* This will inform the group's understanding of the needs and the resourcing required to create congregations as communities of belonging for all. The group has partnered with a variety of disability organisations to gather a diverse range of people to participate in a series of small group online discussions.
- *Carry out research into what is happening in Church of Scotland congregations and presbyteries.* A questionnaire was sent to all Church of Scotland congregations in November 2022 which resulted in 278 responses containing a rich variety of data. This has enabled the group to gather good news stories, resources and ideas that can be shared, and has enhanced its understanding of the needs to be addressed.
- *Carrying out a mapping exercise of organisations and services (secular and faith-based) already involved in enhancing disability inclusion in Scotland.* The DIWG will make the information on these organisations and services readily available to congregations, by providing easy signposting to them, and will investigate if there is scope for collaborative or complementary work with them.

### **15.4 Conduct and Culture**

**15.4.1** The Conduct and Culture Group is working to create a network of champions across Scotland so that there are individuals and groups acting as advocates of equality and inclusion, creating connections and sharing resources across geographical areas. Establishing a network allows individuals to seek support and advice from others working to the same goals and discuss ideas and initiatives. It also provides a visible network of listed champions for people to approach in presbyteries and congregations. The exact role of each champion and the function and design of the network is still being outlined.

**15.4.2** EDI training across a number of areas including a general introduction to EDI principles, bias, and racial justice are being recorded and delivered as e-learning and facilitated training respectively. The aim is for training and information to be widely available to anyone who plays an active role in Church life.

## **16. GRANTS FUNDING – THE SMALL GRANTS FUND AND PIONEER MISSION FUND**

**16.1** The Small Grants fund, now in its third year of operation, and the Pioneer Mission Fund which successfully launched in 2022 are operated under the direction of the Assembly Trustees. Each fund has £100,000 assigned with all grants assessed by two independent panels, one for each fund. The Small Grants Fund provides grants of up to £1,000 to congregations and Presbyteries for short-term projects of between 3 and 12 months. In Autumn 2022, recognising the urgent need, 'Winter Support' criteria were added in order to allow churches or groups of churches to apply for funding of up to £5,000 to help support communities through the winter cost-of-living crisis. In total, £93,000 was distributed under the Winter Support Fund criteria, with the Trustees providing additional monies due to the demand on the fund. In respect of the Small Grants criteria, £17,800 were made to a range of projects. The Pioneer Mission Fund resulted in 10 awards of £5,000 being made to a range of Pioneer projects in 2022.

**16.2** The Trustees intend to offer one final year of Pioneer Mission Fund grants in 2023 prior to the fund being merged into the far larger Seeds for Growth monies. The Small Grants Fund is set to continue through 2023 and beyond with the intention again to open the fund in late summer to support winter needs within communities.

**16.3** The Grants Unit has continued to support congregations at the local level in sourcing external grants. A significant number of congregations have been successful in securing Scottish Government funding in relation to winter support costs for communities. Support and signposting services for external grant requirements can be found through emailing [grants@churchofscotland.org.uk](mailto:grants@churchofscotland.org.uk)

## **17. PAY AND GRADING REVIEW OF CENTRAL SERVICES COMMITTEE**

**17.1** The Pay and Grading Review for the Central Services Committee (CSC) was completed in the Summer of 2022 following a significant period of work and included the engagement of an external agency. The CSC employs staff within the national offices (including the Glasgow Priority Areas Office) and Storytelling Centre. This work completed the final outstanding deliverance from the Special Commission report of 2019. Jobs were grouped into appropriate grades to enable the CSC to apply the same pay and other contractual terms and conditions of employment in a fair and competitive manner. This provides a consistent framework for managing the pay system and reduces the risk of an equal pay issue.

**17.2** The guiding principles of the work were to ensure:

- A fair and consistent pay structure
- A fair and consistent progression system
- Competitive pay & benefits package
- Ensure that pay is in line with best practice, legislation and is future proof
- Ensure transparency of the pay and grading system

**17.3** In deciding on the recommendation, the CSC had to balance the impact in three main areas: affordability, the desire to achieve a competitive, benchmarked salary structure and implications for existing staff.

**17.4** There are some important points to note. Salary benchmarking used was Croner Reward Data, specifically the Not for Profit comparator data in Edinburgh. Salaries were set just above the median for most roles. The notable exception was the Chief Officer role where the proposed salary was set just above the lower quartile benchmark. Overall, the approved model increased the CSC pay bill by 2.9%.

---

## **18. NATIONAL OFFICE BUILDING OPTION APPRAISAL AND BUSINESS PLAN: THE FUTURE OF 121 GEORGE STREET**

**18.1** The future of the George Street Offices is one which has been debated by the General Assembly over many years. Operationally, the past three years has seen significant changes to working practices with the impact of pandemic lockdown and technological change resulting in the National Office along with many other organisations adapting to remote and hybrid working. This includes a considerable increase in the use of video conferencing replacing in person meetings.

**18.2** Accompanying the changes to working practice brought about by the pandemic have been the significant reforms within our own church structures. As the new Presbyteries begin to take shape, accompanied by the reprioritisation exercise and modernisation of systems and processes of the national infrastructure, it is currently difficult to establish how many staff will need to be housed in a central building.

**18.3** As reported to previous Assemblies, extensive work has been undertaken on financial and option appraisals modelling various scenarios of basic maintenance, relocation or refurbishing the National Offices and letting out surplus space. There are two decisive elements which influence the results, firstly, the ability to generate revenue from an asset and second, the amount of floor space required to accommodate staff, meeting space and storage.

**18.4** As an interim position, the Assembly Trustees agreed that the National Office Buildings should be used to generate much needed income to offset operational running costs. The re-organisation of staff working arrangements arising out of the pandemic and our learning from this process has allowed for the establishment of a new operational model with increased use of technology and less reliance on physical processes and systems. This hybrid model with a flexible work style will impact on the total and nature of physical space required.

**18.5** The National Office is therefore going through a process of consolidating its desking footprint onto two floors, adopting shared desking, reducing storage and utilising more video conferencing. This exercise will inform the size and layout of floor space required to support the future operations of the National Offices. In the interim we will seek to use any surplus space to generate income to help offset operational costs. During 2022 we were able to generate £172,000 of rental income from lettings to Charitable organisations and we would hope to double that moving forward.

**18.6** Engagement has also occurred with the Presbytery of Edinburgh to determine whether the relocation of the Church Offices to an existing Church building within the Presbytery might be feasible. This focused on properties within a 20-minute walk of a major public transport hub. Properties were visited and the feasibility of repurposing as an office building assessed with initial results suggesting that a number of these Church properties are either too small or too complex in terms of listed status and cost of conversion to provide a realistic office space.

**18.7** The Assembly Trustees are currently not in a position to provide any firm recommendations to the General Assembly regarding the future of the George Street Buildings. This is due to many unknown factors in play at the same time; uncertainty as to the physical space requirements any building would be required to support set against a volatile financial and property market. The Assembly Trustees are also cognisant of the amount of money and staff time that would be required in undertaking any changes from the current practice. Focus for our National staff over the next few years must be on supporting the local church rather than seeking new premises. The Assembly Trustees believe that a relative holding position, in terms of using the building as an asset for revenue raising whilst ensuring safe and basic maintenance continues as the most pragmatic and beneficial way forward at this juncture. The Trustees would therefore like to propose to the Assembly that rather than continually reporting on the future, a strategy is developed for all of our estate whilst optimising income generation in the short to medium term. For the National Office this equates to a five-year period of consolidation which enables us to provide security for new tenants and significant new income generation for the Church.

---

## **19. OFFICE HOLDER EMAILS**

**19.1** In 2018, the Council of Assembly were tasked with considering 'the issues arising from the use of personal email addresses for the processing of personal data by elders and other non-ministerial congregational and Presbytery office-bearers and to put in place appropriate support mechanisms to ensure that such individuals are able to fulfil their duties fully whilst observing best practice in relation to data protection principles'. As the Assembly will appreciate, five years in technology terms works at a considerable pace and following an initial pilot project and the appointment

of a new Head of IT within the CSC, a detailed assessment of this request was made. The conclusion was reached that, as we strive to minimise the national office expenditure as instructed by the General Assembly in 2019, it would be cost prohibitive to give every office holder an email address and that a more pragmatic approach would be required utilising a revised intranet service being developed through the National Offices. Further information will be communicated to Office Holders through 2023.

**20. SUPPORT FOR MINISTERS – MANSE LIVING COSTS**

**20.1** The General Assembly of 2022 instructed the Assembly Trustees to urgently develop, in consultation with other key partners, a scheme which supported Parish Ministers who found themselves facing **hardship** with the rise in costs of heating and electricity. The deliverance also required a renewal of the commitment of the Church to continue to fight **poverty** in all its guises wherever it is found and felt.

**20.2** A task group was established under the leadership of the Chief Officer. Membership included an Assembly Trustee/Minister, the Principal Clerk, representatives from Finance, Law and the Faith Nurture Forum. A number of options were presented for consideration by the Trustees, who agreed upon the following criteria. Grants of £1,000 were available for those who:

- Were a parish minister living in a manse (& planned to do so for at least the next 12 months);
- Confirmed that they were in financial hardship due to the rising cost of heating;
- Have capital of less than £75k (held by applicant and partner);
- Met the disposable income threshold for their household type noted below:

**20.3** Disposable Income thresholds:

Household type	Initial disposable income threshold	Revised disposable income threshold*
Applicant living along with no dependent in manse	£17,000	£22,400
Applicant and partner with no dependents living in manse	£26,000	£31,100
Applicant (without partner) with dependents living in manse	£26,000	£33,600
Applicants and partner with dependents living in manse	£37,000	£38,200

\*Revised standard introduced post review of minimum standards by Joseph Rowntree Foundation

**20.4** The original Ministers Fixed Hardship Grant scheme was launched on 15<sup>th</sup> September 2022 and closed on 7<sup>th</sup> October. Due to a change in minimum income standards set by the Joseph Rowntree Foundation, the scheme was reopened on 12<sup>th</sup> October and closed on 4<sup>th</sup> November. Approximately 20% of ministers and assistant ministers applied for the grant. In total 145 applications were received, with 89% successfully meeting the criteria for payment. 129 eligible claims were processed with total expenditure of £129,000. The scheme was subject to income tax and national insurance, with the Church of Scotland settling the liability.

**21. CONSOLIDATED FABRIC FUND REVIEW**

**21.1** The report in respect of the use of sales proceeds from properties surplus to requirements can be found within the General Trustees report.

**22. ASSEMBLY TRUSTEES CONSTITUTION AND REMIT**

**22.1** The Trustees’ Constitution and Remit was approved by the 2019 General Assembly on the Report of the Special Commission on Structural Reform. As the work of the Trustees, and its groups have developed over the years, practice has shown that further minor amendments are now required.

**22.2** Clause 10 of the Constitution and Remit provides that, in addition to Trustees appointed by the General Assembly, the Chair of the Church of Scotland General Trustees shall be a Trustee by virtue of office. The post of Chair of the General Trustees is an onerous one, involving considerable time and attention and attendance at a large number of meetings, and the Assembly Trustees accept the view of the General Trustees’ Chair *pro tem* that it is not practicable for one individual fully to discharge the duties of a charity trustee as a member of the Assembly Trustees whilst at the same time shouldering the burden of responsibility as Chair of the General Trustees.

**22.3** The Assembly Trustees have since their inception greatly valued the input to their work made by the Chair *pro tem* and his predecessors and are keen that the knowledge and insight of the General Trustees should continue to be available to them, so as to facilitate good communication across the Church and broad participation in the ongoing exercise of prioritisation. It is proposed that this should happen, in future, via the appointment by the General Trustees of a representative who would attend and participate in meetings of the Assembly Trustees but would explicitly not be a member of the Assembly Trustees’ board. The pattern of regular informal meetings between the Chair and Chief Executive of the General Trustees and the Convener and Chief Officer of the Assembly Trustees, which has developed over the past year, will continue.

**22.4** The Assembly Trustees therefore seek the authority of the General Assembly to make the following change to their Constitution and Remit:

Delete the final sentence of Clause 10 and substitute the following: "In addition to appointed Trustees, the Convener of the Business Committee of the General Assembly shall be a Trustee by virtue of office. The Church of Scotland General Trustees shall appoint one of their members as a representative who shall be entitled to attend all meetings as a corresponding member but without a right to vote or make a motion, such member being eligible to serve for a maximum period of three years".

**22.5 Governance Group remit**

**22.5.1** The Governance Group, following review, was re-established in meeting format in 2021 and is tasked in ensuring that the Trustees fulfil their legal and functional responsibilities in all respects. It advises and assists the Trustees in exercise of their supervision of the component elements of the Church as required by the Church’s Designated Religious Charity status, and oversees compliance by Forums, Committees, Councils, Congregations and Presbyteries in the proper discharge of their duties and responsibilities under charity and accounting legislation and General Assembly Acts and Regulations.

**22.5.2** The Governance Group acts in an advisory capacity to the Assembly Trustees and is not a decision-making authority. In order to reduce workloads, the Trustees seek to reduce membership to four members from the Assembly Trustees.

**22.5.3** The Assembly Trustees therefore seek the authority of the General Assembly to make the following change to Schedule B of our Constitution and Remit. Delete clause 1 and substitute the following ‘A Governance Group (‘the Group’) comprises a minimum of four and a maximum of five members of the Trustees, one of whom is the Vice Convener of the Trustees and one the Administrative Trustee, with in addition the Convener of the Trustees able to attend ex officio. A quorum will be two members. The Convener of the Group will be appointed by the Trustees and not be one of the three office bearers’.

**22.5.4.** The remit of the Governance Group, which details areas of activity of the Group, is outlined in Appendix 5 and for ease of reference is requested to be added as Schedule B.B to the Constitution and Remit of the Charity Trustees.

**22.6 THE ASSEMBLY TRUSTEES**

**22.6.1** Since last reporting, the Assembly Trustees have started hybrid meetings, holding the majority of meetings virtually with the occasional in person meeting. As required by the Constitution and Remit, the trustees strive to maintain a diverse skillset and approach whilst ensuring that as far as possible the Board has a balanced age and gender representation. When the ex officio trustees are included, in 2022-2023, there were six Ministers of Word and Sacrament (two of whom are Presbytery Clerks, three Parish Ministers and one Professor of Christian Dogmatics). The Trustees also have amongst their number, a strategic HR specialist, a former executive chairman, a group finance director, an Equality, Diversity and Inclusion Project Manager, a practising KC and former UK Judge on the General Court of the European Union and a retired lawyer with significant parliamentary experience. All are active members of congregations and most are elders. Many have significant third-sector experience. The geographical spread of Assembly Trustees now extends to the International Presbytery. In May 2023 we welcome one additional Trustee due to the retirement of one trustee due to personal reasons and the reappointment of a further four. The change to the attendance as an ex-officio Trustee of the Chair of the General Trustees is noted above.

**22.6.2** Assembly Trustee information as at 11 March 2023

<b>Trustee</b>	<b>Meetings</b>	<b>Attended</b>
David Cameron ( <i>Convener from June 2022</i> )	11	10
Jean Couper	11	8
Ian Forrester ( <i>from June 2022</i> )	11	9
David Harrison <i>Vice-Convener</i>	11	10
Barry Hughes	11	8
Alan Kennedy <i>Pro tem Chair of the General Trustees (by virtue of office)</i>	11	1
Jennifer MacDonald ( <i>from June 2022</i> )	11	8
Peter McEnhill	11	9
Geoff Miller	11	9
Ann Nelson	11	11
Gillian Paterson ( <i>from June 2022, resigned September 2022</i> )	4	2
Norman Smith	11	9
Philip Ziegler	11	9
Donald McCorkindale, <i>Convener, Assembly Business Committee (by virtue of office)</i>	11	10

*In the name of the Committee*

DAVID CAMERON, *Convener*  
 DAVID HARRISON, *Vice Convener*  
 ANN NELSON, *Administrative Trustee*

**Appendix 1****REGULATIONS AMENDING THE CONGREGATIONAL CONTRIBUTIONS 'GIVING TO GROW' REGULATIONS (REGULATIONS II 2022)**

Edinburgh, [ ] May 2023, Session [ ]

The General Assembly hereby enact and ordain that the Congregational Contributions 'Giving To Grow' Regulations (Regulations II 2022), shall be amended as follows:

1. *In paragraph 1, insert "a" between "with" and "registered" in the first line, and in the last line delete "make a Contribution" and substitute "contribute".*
2. *Delete the existing paragraph 12 and substitute:*

"12. The required Contribution shall be calculated, based on each Charge's Income Base and the total Cost as defined below of all Minister(s) of Word and Sacrament allocated to that Charge. The "Cost of a Minister of Word and Sacrament" is the total of the gross salary at the maximum of the stipend scale, employer's national insurance contribution, employer's pension contribution, death in service benefit cost and cost of income protection. The Income Base is the sum of the assessable income of all of the Congregations within that Charge. The Stewardship and Finance Department shall determine and report annually the "Cost of a Minister of Word and Sacrament"."
3. *In paragraph 16, delete the existing paragraphs (a) and (b) and substitute:*

"(a) Ministry Here: 50% of the Charge's Income Base, but not exceeding the Cost of the Minister(s) of Word and Sacrament allocated to that Charge. This allocation shall be based on the number of full-time equivalent posts of Minister(s) of Word and Sacrament allocated to that Charge as at 31 August in the year of calculation.

(b) Ministry Elsewhere: 35% of the income which is over and above twice the Cost of the Minister(s) of Word and Sacrament allocated to that Charge as at 31 August in the year of calculation. This component shall not exceed 1.5 times the Cost of the Minister(s) of Word and Sacrament allocated to that Charge."
4. *Delete the existing paragraph 23 and substitute the following three paragraphs, renumbering thereafter:*

"23. Presbyteries may increase the proposed Contributions for individual Congregations where they deem that there is considerable potential for increased giving by completing a 'Giving Agreement' with the trustees of the Congregation which will indicate the agreed Contributions for the following financial year. As per paragraph 9, Presbyteries shall communicate by Extract Minute the required Contributions for Congregations within their bounds subject to application of a Giving Agreement for the following financial year to the Stewardship and Finance Department not later than 15 November each year. Any agreed increase in the proposed Contribution can be used either by Presbytery or Nationally to fund initiatives, as determined by the congregation entering into the Agreement.

24. Agreed Additional Giving increases to fund National initiatives will be included in the Confirmation of the required Contributions for the following financial year issued by the Stewardship and Finance Department by 31 December each year. The monies will be credited to the Church of Scotland General Fund.

25. Where the Agreed Additional Giving is to fund Presbytery initiatives, a separate invoice will be issued by the Presbytery concerned. The monies will be credited to Presbytery Funds."
5. *In the existing paragraph 26, delete the words "ensuring that the newly adjusted Congregation will not pay more in that financial year under the adjusted form compared to the previous form".*
6. *In the existing paragraph 27, delete the word "further".*
7. *Delete the existing paragraph 29 (Transitional Provisions) and renumber thereafter.*
8. *Delete the definition of "Excess Income".*

**Appendix 2****[ ] REGULATIONS AMENDING THE 'SEEDS FOR GROWTH' FUND REGULATIONS (REGULATIONS IV 2022)**

Edinburgh, [ ] May 2023, Session [ ]

The General Assembly hereby enact and ordain that the 'Seeds for Growth' Fund Regulations (Regulations IV 2022), shall be amended as follows:

9. *In the Schedule to the Regulations, under the heading "Governance" delete the existing paragraph 3. and substitute the following:*

"3. In carrying out their duties the Committee will engage with applicants through regional teams and carry out the process of assessment with local Presbytery representatives. The Committee shall have the ability to co-opt additional non-voting members who hold requisite expertise in certain areas onto the Committee as required."
10. *In the Schedule to the Regulations, under the heading "Governance" add a new paragraph 5. and renumber the following paragraphs:*

"5. Grants of £1,000 and below can be awarded at the discretion of the Grants Manager. Any such grants awarded will be presented for information to the next meeting of the Committee."

## Appendix 3

### THE CHURCH OF SCOTLAND FAITH ACTION PROGRAMME LEADERSHIP TEAM – STRUCTURE AND REMIT

#### Definitions

In this Remit:

The terms 'Agency' and 'Agencies' mean the following bodies being Standing Committees of the General Assembly, namely:

- a) the Faith Action Programme Leadership Team
- b) the following Committees: Assembly Business, Chaplains to His Majesty's Forces, Ecumenical Relations, Legal Questions, Nomination Committee, Safeguarding and Theological Forum.

The terms "Agency" and "Agencies" will include any successor bodies to each of the bodies named above.

The term "Leadership Team" refers to the Faith Action Programme Leadership Team.

The term "Ministers' Scheme" refers to the Church of Scotland Pension Scheme for Ministers and Overseas Missionaries.

The term "MDS Scheme" refers to the Church of Scotland Pension Scheme for Ministries Development Staff.

The term "Programme Groups" refers to the Groups whose leaders are the Vice Conveners of the Leadership Team and which report to it.

The term "Unincorporated Entities" refers to the charity of which the Assembly Trustees are the charitable trustees.

#### Purpose, status and membership

1. The Faith Action Programme Leadership Team ('the Leadership Team') and its Programme Groups will have the remits set out in the Appendix.
2. The Leadership Team will lead and oversee the development and implementation of the five-year Faith Action Programme, within the framework of the Church of Scotland's Faith Action Plan, to enable the delivery of the Church's identified priorities.
3. The Leadership Team will be a Standing Committee of the General Assembly of the Church of Scotland. As a successor body, the Leadership Team is one of the Agencies referred to in the Constitution and Remit of the Assembly Trustees and the Assembly Trustees, as charity trustees, exercise general oversight over the work of the Leadership Team.
4. The Leadership Team will comprise: -
  - a Convener
  - four Vice Conveners to deputise for the Convener when unavailable and lead Programme Groups (with one of the Vice Conveners to be designated, on the recommendation of the Nomination Committee, as Depute Convener)
  - five members appointed by the General Assembly through the Nomination Committee
  - twelve members appointed by the General Assembly through the Nomination Committee, having first been nominated by their Presbytery. It is anticipated that Presbyteries nominate more than one possible member, and that the Nomination Committee select by the skills and experience which have been identified by the Leadership Team as being requisite bearing in mind the need for diversity in the membership of the Leadership Team and Programme Groups. There will be one such member for each Presbytery or Presbytery grouping.
  - The Convener, or substitute, of the Theological Forum
  - The Convener, or substitute, of the Ecumenical Relations Committee.

No Assembly Trustee, member of another Agency of the Church or employee of the Church will be eligible to be a member.

5. The quorum will be five members. The Convener will have a casting vote.
6. The Convener will be appointed for a term of four years. Of the Vice Conveners two will be appointed for two years and two for three years as decided by the Nomination Committee. Subsequent to those first appointed, the Convener and Vice Conveners may be appointed from existing members and will conclude service at the conclusion of their term as Convener or Vice Convener.

Of the other Members of the Leadership Team first appointed, one third will serve for four years, one third for three years and one third for two years as decided by the Nomination Committee.

#### Programme Groups

7. There will be four Programme Groups, with the remits set out in the Appendix. Programme Groups will report to the Leadership Team and will have written delegated authority from the Leadership Team to take forward their respective elements of the Faith Action Programme. This will include the development of strategy and policy, and working alongside staff members in their implementation.
8. Each Vice Convener will lead a Programme Group. No other members of the Leadership Team will be a member of a Programme Group.
9. Programme Groups will each consist of four members, appointed by the General Assembly through the Nomination Committee plus their Programme Group Leader. Of the four, two will serve for four years and two for three years as decided by the Nomination Committee. Programme Groups will have power to co-opt members to their Group, subject to approval by the Leadership Team and notification to the Assembly Trustees. The number

of co-opted members will not exceed the number of General Assembly appointed members, and only General Assembly appointed members will have the right to vote on decisions of the Programme Group.

10. Programme Groups may form short-life Task Groups to assist or advise them in the delivery of the Faith Action Programme. With the exception of the Presbytery Mission Plan Implementation Group, such Groups will comprise no more than five individuals (of whom no more than two may be non-members of the Church), and be headed by a Programme Group member, with freedom to select other persons, including members of staff, as co-opts. The remit and composition of each such Group will be agreed by the Leadership Team and reviewed annually, should the task for which it is formed not be completed within a year. Task Groups will report to the relevant Programme Group. The number, size, remits and activities of such Groups will be approved by the Leadership Team Convener and reported to the General Assembly.

The Presbytery Mission Plan Implementation Group will report to the Leadership Team in regard to the approval of Presbytery Plans.

### **The Ministries Council and World Mission Council**

11. The Ministries Council and World Mission Council will remain as constituent committees of the Leadership Team, with members appointed from among the membership of the Leadership Team and with specific responsibility for acting as the statutory employer of individuals who are members of the Ministers' Scheme and the MDS Scheme.

### **Operation**

12. Meetings of the Leadership Team will be held at least five times each year and will be attended by the Head of the Faith Action Programme or identified representative. Meetings of a Programme Group will be attended by the Head of the staff team working with that Programme Group or identified representative. The work of the Leadership Team and its Programme Groups will be serviced by such staff as is agreed in consultation with the Head of the Faith Action Programme.

### **Finance and Management**

13. The General Treasurer and Chief Officer will allocate a budget for the Faith Action Programme in consultation with the Leadership Team and by approval of the Assembly Trustees, based upon available finance resources and the Leadership Team's three-year plans (see Appendix para 5).
14. The Head of the Faith Action Programme will be responsible for budgetary control and, in consultation with the General Treasurer and directed by the Chief Officer, will establish arrangements for internal accountability, reporting and adherence to the Unincorporated Entities' Financial Regulations and Policies.

### **Reporting**

15. A draft of the Report on the Faith Action Programme will be submitted to the Assembly Trustees for approval no later than four weeks before the date on which it is due to be lodged with the Principal Clerk.
16. The Convener and Vice Conveners together on behalf of the Leadership Team and its Programme Groups will present the Report on the Faith Action Programme to the General Assembly, assisted as appropriate by other members or by senior staff.

### **Continuity**

17. Other than as provided for in terms of paragraph 11 of this remit, the Leadership Team shall assume all of the rights, assets and responsibilities of the Faith Nurture Forum and the Faith Impact Forum, whose work and functions are incorporated into the work and functions of the Leadership Team. Any existing trust funds and all future donations and legacies received in connection with either the Faith Nurture Forum or the Faith Impact Forum or any such work or functions will be held and applied by the Assembly Trustees on behalf of the Leadership Team, all according to the terms and conditions applying to individual donations.
18. The Leadership Team has and may exercise all the functions and powers held formerly by the Faith Impact Forum (formerly the World Mission Council and its Middle East Committee) under the Constitution of the Scots Memorial, Jerusalem (St. Andrew's Church and Hospice) Trust. The Convener of the Leadership Team and the Head of the Faith Action Programme shall be the successors in office of the Convener and Secretary of the World Mission Council and as such are trustees *ex officio* under the said Constitution.

### **Review**

19. The Assembly Trustees will review this structure and remit in 2025 and report to the General Assembly in 2026 with recommendations either for adjustment within the five-year period of the Programme, or for the organisation and work of the Programme beyond 2028, or both.

### **Appendix – Remit of the Leadership Team**

1. Except as set out in paragraph 7 below, the Leadership Team will succeed to all of the responsibilities, rights, assets and remits of the Faith Impact Forum and Faith Nurture Forum and their work and functions will be incorporated into the work and functions of the Leadership Team. (The work of the Faith Nurture Forum and of the Faith Impact Forum was set out in the Remit section for each of them in Appendix 1 to the approved Report of the Assembly Trustees to the Commission of the General Assembly held on 21 November 2019 and amplified in Appendix 2 'fundamental aims and key areas of work for the Faith Nurture and Faith Impact Forums' set out in the Schedules to Appendix 2 to the approved Report of the Assembly Trustees to the General Assembly held in October 2020.)

Without prejudice to this generality the focus of the Leadership Team will be on the objectives and the areas of responsibility set out below.

2. The Leadership Team will seek to shape and then implement the instructions, policies, priorities and strategic objectives of the General Assembly relating to the Faith Action Programme. In so doing it will work with the Assembly Trustees, Presbyteries and other parts of the Church to achieve a collaborative approach with the purpose of nurturing the people of the Church in their witness, worship and service.
3. In particular, the Leadership Team will seek to deliver the objectives of the Faith Action Programme over the period 2023-2028 which are to:
  - i. Build and launch an integrated training programme for members of local churches/congregations/communities, carrying in the first instance resources for faith, life and mission.
  - ii. Create pathways that attract and allow the Church of Scotland to recruit the required number of leaders for the recognised ministries for which they are suited and called.
  - iii. Establish a programme to develop and support congregations/churches/communities to grow in the Christian faith, to develop national and international partnerships with the local and world church, to deliver missional activity throughout the year and to establish nationally 100 new worshipping communities.
  - iv. Establish and deliver with all Presbyteries a comprehensive programme of support to equip all those responsible for evolving fresh forms of worship, including digital ministry, alongside continued support for developing best practice in existing worship.
  - v. Contribute to public life and social justice on behalf of the Church of Scotland.
  - vi. Deliver the Presbytery Mission Plan Act – with a configuration of ministries and congregational estates which is sustainable and affordable.
  - vii. From 2024 decrease annually, by amounts agreed through the Assembly Trustees’ budgeting process, the operating costs of national programmes as work is devolved or ended, and generate income to fulfil the Programme and further the wider work of the Church.

4. The Programme Groups which report to the Leadership Team will have responsibility for these work streams of the Programme:

**The Mission Support Programme Group**

- 1) Equipping, inspiring, resourcing and supporting the church locally, at presbytery and at the national level in mission.
- 2) Engaging with congregations through international education and support.
- 3) Exploring new ways of being Church.
- 4) Overseeing presbytery mission planning and international partnership support.
- 5) Developing the Church’s ministry and mission in Priority Areas.
- 6) Informing worship, both traditional and digital, and developing a digital strategy.
- 7) Supporting the work of the Education and Schools Group and the Gaelic Group.
- 8) Supporting Ministries through pastoral care provision.

**The People and Training Programme Group**

- 1) The recruitment, training and formation of those in the Recognised Ministries of the Church of Scotland.
- 2) The training, discipleship and support of members and elders of the Church of Scotland and maintaining key partnerships including those with Presbyteries and Academic Partners.
- 3) Alongside Presbyteries, recruiting, resourcing and training people intentionally for the mission of God, especially nurturing those who are new to faith.
- 4) Supporting ministries and learning through the ASCEND programme.

**The Public Life and Social Justice Programme Group**

- 1) Equipping the Church to pursue God’s mission of inclusivity, social justice and care for creation in Scotland and around the world.
- 2) Supporting activities of Presbyteries and congregations in engaging with national and international issues of justice, peace and the integrity of creation, with a priority for inclusion of those who are marginalised or struggle against poverty.
- 3) Engaging policies which contribute to public life by developing and sharing the witness of the Church with government, parliament, ecumenical partners, faith groups, and civil society, and supporting the exchange of information and opinions between national institutions and presbyteries and congregations.
- 4) Providing a space in which to explore theologically, reflect, discuss and respond as a Church to important public matters that arise.

**The Resource and Presence Programme Group**

- 1) Engaging people with the mission of God through the optimisation of assets in an ethical and values driven way.
- 2) Ensuring that net revenues are maximised through the resources available within the Faith Action Programme.
- 3) The business output for Life and Work and increasing advertising and sales.
- 4) Maximising the use of furlough properties.
- 5) Reviewing the John Knox House/Scottish Story-Telling Centre in terms of scope, purpose and future direction.
- 6) Ensuring the business viability of the Israeli entities.

5. In relation to the Faith Action Programme as a whole the Leadership Team will:
- 1) lead and oversee its development and implementation
  - 2) ensure liaison with all appropriate parties including Presbyteries, the General Trustees, the Principal Clerk and the Assembly Business Committee, and good communication with the wider Church and beyond.
  - 3) have regard to the strategic objectives of the General Assembly and the strategic priorities of the Assembly Trustees to:
    - a. ensure consistency with the Faith Action Plan
    - b. model and lead a shared culture and values for the Programme
    - c. ensure that in delivering the General Assembly's emphasis on supporting local congregations and Presbyteries, the Church of Scotland's commitments to world church/global mission, and the Gospel imperative for the poorest, are maintained
    - d. lead in, and oversee the development of
      - i. strategic objectives for the Programme
      - ii. implementation plans
      - iii. specific projects
      - iv. milestones and measures to assess progress
    - e. ensure
      - i. co-ordination and oversight of priorities with work ceasing if no longer required and working within budgets agreed by the Assembly Trustees
      - ii. creativity and excellence in Strategic Planning
      - iii. encouragement of talent
      - iv. effective collaboration and communication
      - v. elimination of duplication
      - vi. reporting from the Programme Groups to the Assembly Trustees,
      - vii. that the Programme's objectives, plans, measures etc are being implemented
    - f. contribute to reviews and adjustments of the strategic priorities of the General Assembly and the priorities of the Assembly Trustees.
  - 4) In relation to the life and work of the Church of Scotland, and of the wider Church:
    - a. maintain a broad view and ensure that Leadership Team members are continuously aware of the context in which the Faith Action Programme is being undertaken
    - b. champion the work of the Programme.
6. The Leadership Team will agree with the Assembly Trustees by October each year a three-year rolling action plan within the overall five-year Faith Action Programme, with the measurable outcomes which it seeks to achieve during the ensuing three years.
7. **Salvesen Fund**
- The members of the Leadership Team shall not succeed to the trusteeship of the Salvesen Fund, which shall pass to the members of the Assembly Trustees *ex officio*. The Schedule to the said Remit set out in Appendix 1 to the approved Report of the Assembly Trustees to the Commission of the General Assembly held on 21 November 2019 shall accordingly not form part of this remit.

#### Appendix 4

#### **CONSTITUTION AND REMIT OF THE CHARITY TRUSTEES OF THE CHURCH OF SCOTLAND, (the Unincorporated Entities), SCOTTISH CHARITY NO SCO11353**

Approve the following amendments to the Constitution and Remit of the Assembly Trustees (*Section 23*):

1. Delete the final sentence of Clause 10 and substitute the following: "In addition to appointed Trustees, the Convener of the Business Committee of the General Assembly shall be a Trustee by virtue of office. The Church of Scotland General Trustees shall appoint one of their members as a representative who shall be entitled to attend all meetings as a corresponding member but without a right to vote or make a motion, such member being eligible to serve for a maximum period of three years".
2. In Section 33 (b) delete the wording "prepare, approve and present annually to the General Assembly an indicative Rolling Budget and outline Financial Plan for the following five years" and replace with "prepare approve and present annually to the General Assembly an indicative rolling budget and outline financial plan for the following four years and the budget for the current year.
3. Delete sections 34,35 and 36.
4. In Schedule B  
Delete clause 1 and substitute the following 'A Governance Group ('the Group") comprises a minimum of four and a maximum of five members of the Trustees, one of whom is the Vice Convener of the Trustees and one the Administrative Trustee, with in addition the Convener of the Trustees able to attend *ex officio*. A quorum will be two members. The Convener of the Group will be appointed by the Trustees and not be one of the three office bearers'.

5. The remit of the Governance Group is presented in Appendix 5 below and is to be added as an additional Schedule B.B (ie after Schedule B) to the Constitution and Remit of the Charity Trustees.
6. In Schedule D, delete section 2 (i) and replace with “requiring each Agency to submit to the Chief Officer and the General Treasurer (a) budget proposals for the cost of its work in the next calendar year and (b) draft budget proposals for such costs in the four ensuing calendar years;”.

## **Appendix 5**

### **SCHEDULE B.B**

#### **GOVERNANCE GROUP REMIT**

**THE ASSEMBLY TRUSTEES OF THE CHURCH OF SCOTLAND,  
(the Unincorporated Entities),  
SCOTTISH CHARITY NO SC011353  
REMIT of the GOVERNANCE GROUP**

1. The Governance Group (“the Group”) has been established by the Assembly Trustees (the “Trustees”) under and by virtue of Schedule B of the Constitution and Remit of the Trustees as approved by the General Assembly 2019 (“the Constitution”).
2. The Group comprises a minimum of four and a maximum of five members of the Trustees, one of whom is the Vice Convener of the Trustees and one the Administrative Trustee, with in addition the Convener of the Trustees able to attend ex officio. A quorum will be two members. The Convener of the Group will be appointed by the Trustees and not be one of the three office bearers. The Chief Officer, Principal Clerk, General Treasurer, Solicitor of the Church and the Head of Analysis and Programme Development will attend meetings of the Group. The Convener of the Audit Committee will be entitled to attend on any matter which that Committee believes to be of sufficient importance.
3. The Group shall meet on at least four occasions a year. It will have no decision-making powers unless provided for in Schedule B of the Constitution and Remit or specifically authorised by the Trustees.
4. The Group shall ensure that the Trustees fulfil their legal and functional responsibilities in all respects. It shall advise and assist the Trustees in the exercise of the supervisory function of the component elements of the Church as required by the Church’s Designated Religious Charity status, and shall oversee compliance by Forums, Committees, Congregations and Presbyteries in the proper discharge of their duties and responsibilities under charity and accounting legislation and General Assembly Acts and Regulations.
5. The Group shall assist the Trustees in their duties to:
  - a. maintain a Code of Conduct for all Agencies of the Church as defined in clause 74 of the Constitution and Remit and supervise compliance with that Code by all members of such Agencies;
  - b. maintain a Code of Conduct for the Trustees, adhere to it and supervise compliance with that Code by all Trustees;
  - c. maintain, and in consultation with the Agencies subject to a periodic review, an appropriate Scheme of Financial Delegation such as that set out in Schedule F of the Constitution and Remit to be followed by the Agencies;
  - d. maintain, and in consultation with the Agencies subject to a periodic review, an appropriate Scheme of General Delegation;
  - e. ensure that all necessary policies are in place and regularly reviewed.
6. The Group shall receive regular reports from the Audit Committee and the Audit Committee should in turn receive copies of the Minutes from the Governance Group. The Governance Group remit shall be considered annually by the Audit Committee.
7. The Group will keep under review the adequacy and effectiveness of risk management arrangements of the Unincorporated Entities. The Group shall consider the scope and effectiveness of the systems established by the Chief Officer to identify, assess, manage and monitor risk. This shall include periodic review of the principal risk register and, where applicable, the Chief Officer’s assessments and reports on the effectiveness of the systems for risk management
8. The Group shall advise and assist the Trustees on the governance aspects of management, resourcing, organisation and administration and shall undertake such other functions as may from time to time be delegated to or referred to it by the Trustees.
9. The Group shall ensure that there are effective induction and mentoring processes for new Trustees and that they have the necessary knowledge to be able to discharge their responsibilities. In particular, the Group shall ensure –
  - a. that each Trustee is aware of the terms of the Constitution;
  - b. that each Trustee is aware of the deliverance from the most recent General Assembly;
  - c. that each Trustee is aware of her or his role as an Assembly Trustee within the broader context of all of the component elements of the Church of Scotland;
  - d. that each Trustee is aware of the need to act with independence of mind and with probity;

- e. that the effective working of the Trustees is enabled through the body of Trustees having appropriate skills, experience and diversity;
  - f. that the Trustees exercise the controls necessary to ensure that the strategic priorities, policies and decisions of the General Assembly are implemented effectively and efficiently and establish appropriate checks on management, financial control mechanisms and risk appraisal; and
  - g. that the Trustees and the Agencies are open and accountable in their actions, enabling good communication among themselves and with staff, with others working within the Church, with members of the Church and with those with whom the Trustees and the Agencies engage.
10. The Group shall establish, maintain and keep under review an appraisal system for the Trustees which is in accordance with current good governance practice, as provided for in Schedule B of the Constitution and Remit.
11. The Group shall exercise the functions provided for in Schedule B of the Constitution and Remit in respect of complaints regarding possible material breaches of duty by Trustees.

## References

- [i] The pastoral charge is the unit that a Minister is responsible for e.g. linked congregations are a single charge.