

THE CHURCH OF SCOTLAND
COUNCIL OF ASSEMBLY
19 November 2018

MINUTES

The Council of Assembly met within the Scottish Storytelling Centre, 43-45 High Street, Edinburgh EH1 1SR, on Monday 19 November 2018, and was constituted with prayer. A list of those attending is attached to this Minute as Appendix I.

51. WELCOME AND APOLOGIES

The Convener welcomed Archie McDowall, attending for the General Treasurer; Chloe Clemmons, attending for the Secretary of the Church and Society Council and Lesley Hamilton-Messer, attending for the Secretary of the Mission and Discipleship Council. Apologies were noted.

52. AGREE AGENDA

The Agenda for the meeting was agreed.

53. DECLARATIONS OF INTEREST

Declarations of interest were noted from those members who are a serving Parish Minister, or are in a close personal relationship with a Parish Minister, in relation to Min 60.5, Salaries and Stipends.

54. MINUTES

The Minute of the Council meeting held on 15 October 2018 (COA3 (2018-2019)) was approved.

55. MATTERS ARISING

55.1 Social Care Council (Min 41.2)

Council thanked Isobel Hunter for agreeing to serve as a Council representative on the working group coordinating a whole church celebration of 150 years of provision of social care.

55.2 Review of Reporting Process (Min 41.3)

Council agreed to remove this item from the agenda for the time being to allow for focus on other pieces of work.

56. TRUSTEES COFFEE MORNING WITH CENTRAL SERVICES COMMITTEE (CSC) STAFF

Elaine McCloghry, Head of Human Resources, explained that the Joint Negotiating and Consultation Executive (JNCE) had expressed interest in having the opportunity to meet the Trustees of the Unincorporated Councils and Committees (UCC). Council welcomed the suggestion of a coffee morning prior to the Council meeting on 17 December 2018 as a way of building connections with staff. All Council members were invited to meet with staff and it was noted that the Council meeting would begin at the slightly later time of 10.45am.

57. RADICAL ACTION PLAN

Council received a paper providing an overview of recent activity in the development of the Radical Action Plan.

Members noted that some core elements for change were identified during the Presbytery Conference on 31 October to 1 November 2018. Representatives had voiced their disappointment that they had not received more details for discussion at the conference. A reference group has been established, drawn from those who attended the Presbytery Conference, to ensure that the Action Plan was effectively co-produced. The Convener, along with Jenny Adams, were to host the reference group meetings on behalf of the Council. A final draft of the Action Plan would be shared at a one day gathering, in late January 2019, which was open to all those who attended the recent Presbytery Conference.

A Project Initiation Document (PID), produced by Catherine Skinner as the Project Coordinator, provided an outline of how the Action Plan would be populated and taken forward over the coming months. It was agreed that the PID, with its clear framework, was a useful reference document and should be shared with others, such as the reference group, in order to strengthen the notion that this was a shared activity with purposeful engagement.

Members were concerned with the potential for a perception to grow that the Council was somehow stalling or being more conservative than was needed. Alan Sorenson expressed his surprise that a draft Action Plan would not be presented to the Council until the December meeting.

With comments and correspondence being received from various sources in relation to the Radical Action Plan the Project Team would establish effective coordination of communications in order to have an open and transparent process. Negative perceptions should be acknowledged.

An invitation had been extended to the Convener from the Presbytery of Falkirk to be a part of their *Re-Imagining Church* conference on 11 to 13 January 2019. It was further noted that Neil Glover, Convener of the Ministries Council, had also been invited to speak on Hub-Style Ministries at the conference.

Following discussion the Council was content that the Project Team should use the PID, with some minor amendment, as the basis for discussions over the coming months. The Acting Secretary to the Council of Assembly, Martin Johnstone, indicated that there may be a possibility for an additional Council meeting specifically for the Radical Action Plan.

Each of the Councils, Committees and Departments of the Church would give further consideration of priorities and which pieces of work would cease in order to allow for the necessary work of the Action Plan.

Karen Campbell and Julie Main joined the meeting for item 58.

58. SAFEGUARDING COMMITTEE

Written reports on the work of the Safeguarding Service were received including the Safeguarding Service Review Action Plan and a Review of Policy and Practice.

Members queried whether some of the target dates included in the Safeguarding Service Review Action Plan were challenging enough given the context and ongoing risks. Julie Main, Safeguarding Manager, explained that whilst some items may appear to have generous target dates the work would involve engagement with various stakeholders. A definition of the traffic light coding system used in the document would be added to confirm that items were shown as 'complete', 'in progress' or 'not started'.

The Boys Brigade, the Girls Brigade and the United Reformed Church in Scotland are served by the Church's Safeguarding Service. It was confirmed that other denominations were able to approach the Safeguarding Service for advice. Also, a Service Level Agreement (SLA) between the Safeguarding Service and CrossReach was under discussion.

The Governance Group heard in October that Julie Main and Jennifer Hamilton, Depute Solicitor, were to progress the SLA for the safeguarding service that the Church provides to the Boys' Brigade. Work around a separate piece of work on the constitutional relationships between Kirk Sessions and local Boys' Brigade companies had been sisted pending the outcome of the SLA discussions. This item would appear on the agenda for Governance Group at their December meeting and it was anticipated that a draft SLA would be brought to Council of Assembly in December. John Corrigan, Convener of the Governance Group, commended the Safeguarding Committee and their Service for the work done and for what has been achieved.

The Safeguarding Service would look to offer support to ensure that policies, practices and procedures in Israel were robust.

Ruth MacLeod agreed to ensure that both the UCC complaints policy and the Presbytery Complaints Policy were clearly accessible on the Church website.

The Convener requested a Safeguarding training session to be offered to members of the Council.

59. COUNCILS' BUSINESS

59.1 World Mission Council

- a) Update Report: A comprehensive written report, offering information on strategic direction, was received. John Chalmers, Convener of the World Mission Council, reported that consideration had been given to the future direction and continued support of congregations as they engage with the world church and the issues faced by us all globally. Members of the World Mission Council had offered feedback on priorities as well as which pieces of work may need to stop. Indicative ideas should be shared with the Radical Action Plan Project Team as early as possible in order to feed into discussions. The World Mission Council Business Committee will analyse the feedback with details to be brought to the World Mission Council meeting in February 2019.
- b) Back to Back Loan: Following receipt of the details in a written report and noting the complex nature of the arrangements the Council agreed:
 - i. that it was understood that the Back-to-Back Loan Group, having considered an equity investment in the Hotel Company instead of a loan, advised against this course of action as it would have meant that the capital was invested into the Hotel, although it would have produced higher income.
 - ii. that following the end of the Back-to-Back loan in December 2018, the Hotel Company will have a loan with the Church of Scotland Trust. Advice should be sought from RSM UK as external auditors, and there should be approval of Jennifer Hamilton, Depute Solicitor of the Church of Scotland.
 - iii. to the deposit of £9.4m with the Church of Scotland Trust on the understanding that this money would be used to make the loan.
 - iv. the final terms of the loan would be agreed between the Directors of the St Andrew's Galilee Ltd Company and the Church of Scotland Trust in consultation with the World Mission Council and the Convener of the Council of Assembly Finance Group. Details would be reported to the Council of Assembly Finance Group on 3 December 2018.

59.2 Ministries Council

Neil Glover, Convener of the Ministries Council, provided an update on the ongoing work of the Ministries Council. In addressing the conflict of interest of many members of the Ministries Council in making a recommendation for stipend increases, only a small number of members took a vote on the proposal which would be discussed later on the agenda.

The Development Programme work was progressing alongside pre-existing ongoing work. There was a high demand on staffing capacity and therefore the requirement to react and adapt to changes to staff circumstances in order to continue to meet the work needs without increasing the budget for staffing.

Some Presbyteries have done a proportionate shift from their ministry number to Ministries Development Staff (MDS) posts. Ministries Council was looking at the legislation around deployment of MDS posts as part of monitoring the pressure placed on the budget due to the increasing number of MDS.

David Watt, Convener of the Council of Assembly Finance Group, stated that it would be crucial to the financial position that savings were made at the end of Development Programme. Further engagement between the Ministries Council and the Finance Group would be welcomed.

It was noted that there was an evaluation framework in place for each of the 15 projects which sit within the Development Programme. The Ministries Council Senior Management team was due to meet with the Director of Evaluation Support Scotland in coming weeks to discuss putting in place an evaluation framework for the Development Programme as a whole.

Council was concerned to note that work demands had resulted in the Ministries Council's capacity for cross-council working being compromised. All Councils, Committees and Departments have been asked to consider priorities and the Radical Action Plan would offer support in this. It was acknowledged that everyone was working hard and Council sought to ease the burdens. It should be made explicit the trust that is held for one another.

A draft Risk Register was presented and was still to be discussed by the Ministries Council.

59.3 Church and Society Council

20 congregations have been invited to host events as part of national Scottish Government initiative *Democracy Matters*. Conversations will be around experiences of local decision making processes.

59.4 Social Care Council

Bill Steele, Convener of the Social Care Council, was delighted to share the good news that one of the CrossReach units, the Bungalow, had been named Specialist Service/Unit of the Year at the recent Scottish Care National Care Home Awards. The Erskine Waterfront Campus will have its official opening on 23 November 2018. Improvements were now being realised in relation to issues around occupancy and problems with services to older people.

59.5 Review of Action of Churches Together in Scotland (ACTS)

John McPake, Ecumenical Officer, reported that a significant member of ACTS had indicated in the past few days that their funding to the body would cease from 2019. There had been general consensus that ACTS would be concluded and that there would be a transition towards a Scottish Christian Forum. Further discussion would now be required in terms of how long that transition process would be. Council was grateful for the work of ACTS and would enter conversations with a sense of compassion and grace around what the next stage would be. It was noted that the Convener was unable to attend an upcoming meeting with ACTS and neither could a representative of the Mission and Discipleship

Council or the Church and Society Council. John McPake would attend the meeting and convey that the Church of Scotland would seek to continue to have effective ecumenical engagement. The Mission and Discipleship Council would wish to work alongside the new forum model including a presence at the Highland Show. An update would be provided at the December Council meeting.

59.6 'Thy Kingdom Come' Global Prayer Initiative

The intention was that the Church of Scotland formally partners in 'Thy Kingdom Come' in 2019 and thereafter. This would be symbolically marked during the meeting of the Moderator and the Archbishop of Canterbury on 29 November 2018. The Communications Team have been involved in discussions and there were plans to do a feature on this. A bank of resources have been produced by the Church of England which would be accessed and used by the Church of Scotland at no cost.

'Thy Kingdom Come' would complement the work happening under the Together We Pray national prayer initiative and the National Day of Prayer. Council offered their thanks to Pauline Wilson for the work done to produce the recent National Day of Prayer resources. Thanks were also extended to John McPake, and others, for editing the materials.

60. FINANCE

David Watt reported that the financial position continued to deteriorate with a forecast deficit for 2018 of a little under £7.5m against a budgeted deficit of £4m. The forecast deficit for unrestricted funds was £9.4m.

Council would be asked at the December Council meeting to take decisions in relation to reporting to the General Assembly on the National Offices Buildings Project.

60.1 Minutes of Finance Group

The Council received the Minutes of the Finance Group Meeting of 1 October (FG4 (2018-2019)) and the Draft Minutes of the Meeting of 5 November (FG5 (2018-2019)).

Noting the pastoral support role of the Ministries Council there would be further consideration of the appropriate budget to charge the costs of disciplinary cases in 2019.

60.2 Management Accounts to 30 September 2018

The forecast operating deficit for the Social Care Council had increased to £3.8m per the quarter 3 reforecast as adjusted to reflect the non-payment of Mission and Renewal income. The deficit was £2.1m greater than the budget figure. The Finance Group considered the risks around the financial position of CrossReach, along with the short and longer term in achieving a break even budget for the Social Care Council. Details of the CrossReach reserves position were provided for the Finance Group and it was noted that losses were represented by cash which would not be recovered.

Given the current position some trustees questioned the ongoing financial commitment of offering social care and suggested that the Church should reflect on future funding requirements. Trustees, *ex officio* and Shadow Trustees should be fully aware of their roles and responsibilities in discussions.

Bill Steele explained that the majority of issues were historical, including a substantial figure for pensions deficit payments. Problems related with services have been addressed by the gifted, talented and committed team working in this area. Some services were making money and further discussions were needed around government funding of social care. CrossReach delivers social care as part of the mission of the Church of Scotland. Bill Steele offered to talk further outwith the meeting with anyone who had questions.

The Social Care Council aims to bring forward figures in 2019 with a trajectory towards a break even budget in 2021. The Social Care Council budget would continue to appear on the agenda for the Finance Group who would report on position.

60.3 Payroll Manager

The Finance Group discussed a paper setting out the current position for the HR/Payroll Project and the delays with the transfer to the new system. Council concurred with the recommendation contained in the paper to discount the outsource option on the grounds of cost. The Group however agreed that this option should remain open should the Payroll Manager not be recruited.

Catherine Skinner, Head of Operational Programmes, reported that the current staff complement was not sufficient to transfer onto new payroll. Council agreed to recruit a suitably qualified payroll manager as a business critical post.

60.4 Minutes of Pensions Forum

The Council received the Draft Minutes of the Pensions Forum Meeting of 25 September 2018.

60.5 Stipends and Salaries

A sub-committee of the Ministries Council had examined the implications of various percentage rises in the stipend and salary scales. A recommendation was brought for consideration by the Council that stipends for Parish Ministers be increased by 2.5% on all five points of the stipend scale from January 2019. An increase in all 5 points of the salary scales for Ministries Development Staff of 2.5% from January 2019 would be subject to Council agreement on the stipend increase.

Neil Glover, Convener of the Ministries Council, explained that the recommendation would aim to preserve the real value of the stipend and salaries. The increase was affordable through the Minimum Stipend Revenue Fund.

The Council was mindful of the increased operating deficit and the ongoing need to identify priorities for spending. The Minimum Stipend Fund was set up to fund stipend increases although the future sustainability of that was queried.

The General Treasurer had confirmed previously that it may be competent to move funds to allow Councils, Committees and Departments to financially support one another and that may be an option to explore further. Discussions around salary increases for staff of the Central Services Committee and CrossReach have a separate process and were not linked with any stipend increase.

A counter proposal of a 2% increase was made and seconded. Council voted in favour of a 2% increase (4 for 2.5%; 5 for 2%).

60.6 Marking 150 Years of Social Care – Business Case for Funding

A business case for funding the celebrations was considered by the Finance Group. It was agreed that £25k would be taken from contingency on the understanding that any monies freed out of the restricted funds review should go into contingency. A copy of the business case was received for noting.

60.7 Property Sales and Purchases

Council received a paper regarding the sale of a CrossReach property, 1 Tantallon Place, Edinburgh. It was noted that the valuation of Tantallon Place was £825k, and it was estimated an alternative property could be secured for up to £425k, giving a net sale receipt of c. £400k. Council approved:

- a) The purchase of an alternative property of up to £425k.
- b) That the tenancy offered would be a Private Residential Tenancy.

- c) Bridging finance of up to £425k to be repaid immediately following the sale of Tantallon Place.

60.8 Funds Reorganisation

The Trustees noted the details provided and agreed the following applications for restricted funds reorganisation:

- a) A J McIntyre Bursary (World Mission)
- b) Dr A Macrae – Medical Missionaries (World Mission)
- c) Hill Memorial Bursary Fund (World Mission)
- d) Hill Memorial Fund (Ministries)

61. GPP GOVERNANCE GROUP

The Council received the Minutes of the GPP Governance Group Meeting of 22 March (DCGG1 2017-2018) and the Draft Minutes of the Meeting of 4 October (DCGG1 2018-2019).

62. GOVERNANCE

John Corrigan spoke to the written report from the Governance Group. Items relating to safeguarding had been included earlier on the agenda as part of the annual report to Council from the Safeguarding Committee. It was noted that due to there being no essential business to transact, the November Governance Group meeting was cancelled. The next meeting of the Group was due to take place on 10 December 2018.

62.1 Minutes of Governance Group

The Council received the Draft Minutes of Governance Group Meeting of 8 October (GG2 2018-2019).

62.2 Report of Governance Group

- a) GDPR Compliance: A paper, produced by the Solicitor, setting out responsibility for GDPR compliance by Presbyteries and Congregations was received. It was noted that the paper would be brought to the Audit Committee meeting on 27 November 2018.
- b) Code of Conduct: Revisions made to the Code of Conduct for Voting Members of the Council of Assembly as Charity Trustees were set out in the written report from the Governance Group. Council approved the amended Code of Conduct which would be made available on the portal.
- c) Conflict of Interest Policy: Revisions made to The Church of Scotland Unincorporated Councils and Committees Conflict of Interest Policy were set out in the written report from the Governance Group. Council approved the amended Conflict of Interest Policy which would be made available on the portal.

63. CENTRAL SERVICES COMMITTEE

63.1 Minutes of Central Services Committee (CSC)

The Council received the Draft Minutes of the CSC Meeting of 11 October (CSC2 (2018-2019)).

63.2 Minutes of CSC Executive Committee (Staffing)

The Council received the Draft Minutes of the CSC Executive Committee (Staffing) Meeting of 11 October (CSC Exec5 (2018-2019))

64. SENIOR MANAGEMENT TEAM

Martin Johnstone, Acting Secretary to the Council of Assembly, reported that the Senior Management Team continued to consider conference costs and other costs. A report would be brought to the Finance Group in due course and then to the Council.

65. CORRESPONDENCE

Several items of correspondence relating to the Radical Action Plan had been passed to the Project Team. Council was content that the Project Team, along with the Convener, would make a judgement on what Radical Action Plan correspondence should be brought to the attention of Council.

66. VOLUME OF COUNCIL PAPERS

Council Members conveyed their discontent with the large number of papers and that some papers were uploaded to the portal just a few days prior to the meeting. It was noted that it would be useful to have sight of the draft agenda at the earliest opportunity.

67. DATE OF NEXT MEETING

10.45am, Monday 17 December 2018, with a coffee morning prior to the meeting, in the Church Offices, as discussed earlier.

The Meeting was closed with Prayer.

APPENDIX I

COUNCIL OF ASSEMBLY

19 November 2018

Sederunt:

Jennifer Adams
Ian Alexander
Sally Bonnar
David Brackenridge
John Chalmers
John Corrigan
Viv Dickenson
Alison Fenton
Richard Frazer
Neil Glover
Martin Johnstone
Anne Lamont
Elaine McCloghry
John McPake
Mary Macleod
Ruth MacLeod
Norma Rolls
Jayne Scott
Norman Smith
Alan Sorensen
Bill Steele
David Watt
George Whyte
Ronald Wright

Apologies:

Derek Browning
Alistair Gibb
Isobel Hunter
Anne Macintosh
Andrew McGowan
Angus Mathieson
Martin Scott
Raymond Young

In Attendance:

Chloe Clemmons
Lesley Hamilton-Messer
Carron Lunt
Archie McDowall
Catherine Skinner