

## GENERAL TRUSTEES MAY 2024

### Proposed Deliverance

#### The General Assembly:

1. Receive the Report (*Section 1.2*).
2. Note the work of the Manse Liaison Group (Standards) which was established to consider, on a practical basis, how manse standards may be improved, specifically looking at refurbishment proposals and manse replacement and welcome the requirement that all manses should have standards which are in excess of statutory tolerable standards (*Section 6.2*).
3. Note the disappointing level of information on current manse condition which has been returned by Presbyteries (*Sections 6.2.3, 6.2.4 and Appendix 3*).
4. Commend the report into provision of manses with specific reference to the question of ministers living in their own homes and accept the recommendation of the Manse Liaison Group (Provision) that the default position should continue to be that ministers live in manses and that for other circumstances the Manse Adjudication Committee may be utilised (*Section 6.3*).
5. Approve the two proposals set out in section 7.1.4 of this Report as to permitting disbursement for non-fabric purposes from the Consolidated Fabric Fund (*Section 7.1*).
6. Approve and adopt the amendments to the "Use of Monies in the Consolidated Fabric Fund" as set out in Appendix 5 to the Report (*Section 7.1 and Appendix 5*).
7. Note the position in relation to Land Reform (Scotland) Act 2016 (Register of Persons Holding a Controlled Interest in Land) Regulations 2021 (*Section 8.2*).
8. Appoint Mr Fraser Bews, Rev Dr David Coulter, Mr Tim Podger and Rev Nigel J Robb as members of the General Trustees (*Section 9.1.5*).
9. Authorise the payment of £2,000 to each of Mr Alan Kennedy as Chair and Rev Scott Rennie as Vice-Chair for their services over the past year (*Section 9.1.7*).

### Report

#### 1. INTRODUCTION

1.1 *"The General Trustees support Congregations and Presbyteries in maintaining and developing appropriate flexible, robust and sustainable facilities capable of supporting local mission and worship."* (Mission Statement)

1.2 The Trustees submit to the General Assembly their ninety-seventh report since their incorporation under the Church of Scotland (General Trustees) Order Confirmation Act 1921 and their Annual Report and Financial Statements for 2023.

#### 2. APPRECIATION

2.1 The General Trustees wish to thank all members of their staff for the service they provide to them and to congregations. They are also most appreciative of the assistance they receive from other staff in the central offices, especially those in the Law and Stewardship & Finance Departments with whom they work most closely.

2.2 In addition to thanking the Trustees and Advisory Members listed in section 9 who are retiring at this year's General Assembly, a special word of thanks is due to Anne Macintosh who recently retired from the post of General Treasurer. We wish Anne a long and happy retirement.

2.3 The Trustees continue to collaborate with Presbyteries and Presbytery Clerks. Regular meetings are held with the Convener of the Assembly Trustees and the Chief Officer who attended the Trustees' conference along with the Principal Clerk. The Vice-Chair attends meetings of the Assembly Trustees as an observer.

2.4 The General Trustees look forward to continuing our strategic partnership working with the Assembly Trustees.

#### 3. GOVERNANCE

##### 3.1 Governance Review

3.1.1 Following a tender process, the Trustees appointed Turcan Connell to carry out an external review of governance with agreed terms of reference. This review involved interviews with several Trustees, senior staff and the Solicitor as well as a survey. The results of the review were presented to the Trustees at their conference held in October 2023.

3.1.2 The key areas of the report were the recruitment process, the balance of skills, diversity, having an induction and training process including legislative awareness, the format of meetings to encourage effective participation, the decision-making process and delegated authorities.

3.1.3 The Trustees accepted the report; both the positive comments and those where improvements were recommended. The Trustees' Nominations Committee is monitoring progress with each of the agreed actions. The main priority was holding training sessions and these have already commenced. A Code of Conduct has been introduced.

### 3.2 Investment Policy Review

**3.2.1** Mercers were appointed to carry out the review in September 2022. Subsequent developments are described in section 5.5.4.1.

### 3.3 Operation of the Board, Committees and Working Groups and their Terms of Reference

**3.3.1** A review of all terms of reference took place following the revision to the Committee structure and the creation of underpinning Working Groups. The Committees are Nominations, Audit & Assurance, Fabric, Finance & Resources, Glebes and Presbytery Support & Buildings (“PSB”). The Working Groups consist of Energy Procurement and the Insurance Forum reporting to the Finance & Resources Committee; Safe Buildings and Manse Liaison reporting to the Fabric Committee and Presbytery Mission Planning, Signature Churches and Historic Property Portfolio reporting to the PSB Committee.

**3.3.2** As defined in the Board’s Terms of Reference, the General Trustees now have four types of volunteers: General Trustees, Advisory Members, Committee Members and Co-Opted Members.

**3.3.2.1** The Board consists of General Trustees whose appointments have been approved by the General Assembly.

**3.3.2.2** The Board appoints Advisory Members to participate in the work of the Board and its Committees and Working Groups. They receive papers and contribute to discussions at Board meetings but are not entitled to vote. In due course, if they are ministers or elders, their names may be put forward to a General Assembly for them to become General Trustees.

**3.3.2.3** On the recommendation of Committees, the Board may approve the membership of such Committees of individuals with relevant skills who do not otherwise participate in the work of the Board and its other Committees.

**3.3.2.4** The Board has authorised Committees to co-opt individuals to Working Groups to assist with specific short-term project work. They do not otherwise participate in the wider work of the Trustees.

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## 4. PROGRESS WITH THE 2023 GENERAL ASSEMBLY DELIVERANCE

**4.1 Ethical Investment:** Mr Manliffe Goodbody, General Trustee, has been appointed to the Ethical Oversight Committee as a representative of the Trustees.

**4.2 Net Zero:** The Trustees contributed to Faith Action’s online Net Zero Pathway publication, available on the Church of Scotland’s website, by providing the pathway on Buildings. In this, the Trustees provided advice on how to measure and reduce the carbon footprint of our buildings. Connected with this is the ongoing development of the Energy Footprint Tool, which will help congregations measure and record their environmental impact. The Trustees are also working with suppliers and congregations to explore ways to facilitate the installation of electric vehicle charging points on Church of Scotland sites. There are legal and practical challenges to the installation and we continue to explore the best ways to overcome these. We encourage congregations that are considering an installation to contact the General Trustees at an early stage.

**4.3 Presbytery Mission Plan Act (“PMPA”) based on Mission:** The Trustees affirm that mission, as set out in the Mission Plan, is the principal consideration when considering the approval of plans. The Trustees have continued to serve on the Presbytery Mission Planning Implementation Group (PMPIG). In addition, the meetings held by the Trustees’ Presbytery Mission Planning Sub Group, which consider Mission Plans and Annual Evaluation and Development submissions, are attended by the relevant Faith Action Facilitators.

**4.4 Affordability under PMPA:** The Trustees have and will continue to give strong emphasis to the affordability of buildings when considering Mission Plans and Annual Evaluation and Development submissions. This applies to both the income required to manage and maintain a building and the capital required to make the building a safe, accessible, well-equipped space in good condition, where it is not already.

**4.5 Theological Reflection under PMPA:** As detailed in 4.3, the Trustees will continue to work closely with PMPIG in the consideration of Mission Plans and ensure that liturgical diversity and geography are given due consideration.

**4.6 Review Categorisation of Buildings as A or B within the PMPA:** The proposal of introducing additional building categorisations was discussed at the 2023 Trustees’ Conference. The discussion occupied much of the morning of the conference and included contributions from senior figures within the Church, beyond the Trustees. Whilst the potential benefits were understood and examined in detail, the concluding view was that a change to the categorisation system at this stage would be unhelpful and could potentially be damaging to the PMP process.

**4.7 Recruitment of Presbytery Buildings Officers (“PBO”s):** The contracts for the PBOs are now all permanent and further appointments are anticipated. See section 7.3.

**4.8 Manse Conditions:** See section 6.2, appendices 2 and 3.

**4.9 Manse Provision:** See section 6.3.

**4.10 Clarification of the Operation of the Consolidated Fabric Fund:** A “Reallocation Schematic” has been prepared detailing the various ways centrally held funds can be applied for and utilised. This will be issued to Presbytery Clerks subject to the General Trustees (Properties, Funds & Endowments) Act 2024 being approved at the General Assembly as this may influence the content of the Schematic. Material changes, however, are described in Section 7.1.

**4.11 Exploring an Increase in Use of the Consolidated Fabric Fund for Mission:** See section 7.1.

**4.12 Creating Presbytery Sub-Funds within the Central Fabric Fund:** These have been established by the Stewardship & Finance Department. Upon the dissolution of a congregation, half of the net proceeds may now be ring-fenced to provide grants for approved fabric projects within that same Presbytery.

**4.13 Continued Use of Buildings Prior to Disposal:** With regard to the sale of a Church and/or Hall building, congregations are encouraged to ensure that, wherever possible, it remains open and in regular use, with a normal maintenance regime in place until the sale completes, to ensure reasonable levels of insurance costs and security. If levels of occupancy of the building change at any time, Church of Scotland Insurance Services (COSIS) should be notified.

**4.14 Consider affordable housing and other social aims in sale process:** The Trustees have established working relationships with both Housing Justice and Church Action for the Homeless in the last year. Housing Justice currently operate in England and Wales and through their "Faith in Affordable Housing" project, act as a link between Faith Organisations and Housing Associations to provide affordable housing in areas of need. The Trustees and congregations do, however, have a duty to act in the best interests of the congregation and in furtherance of the Church's charitable purpose, which is the advancement of religion and accordingly have only limited scope for disposing of land at anything other than its full market value. This does not create an absolute bar to disposal of land with social aims in view but it does mean that opportunities to do so are constrained by all of the factors applying in a local context.

**4.15 Consider Income Generation from the Retention of Land and Buildings:** The Trustees have engaged with consultants on the potential for doing pre-development work on sites. Risks and opportunities will be carefully evaluated and monitored.

**4.16 New Consolidating Act:** See section 8.1 and Supplementary Report.

**4.17 Register of Controlled Interests in Land:** See section 8.2.

**4.18 Mitigation of Climate risks:** See section 4.2.

**4.19 Consider Innovative Use of Glebeland:** This is being considered by the Trustees' Glebes Committee. See section 5.2.

**4.20 Signature Churches:** See section 5.3.8.

## 5. COMMITTEE REPORTS

### 5.1 Fabric Committee

**5.1.1** The work of the Committee continued post-Covid and the Trustees provided guidance and financial assistance to congregations where applications were considered via Presbytery. It should be noted that the number of applications received and the level of financial assistance offered were considerably reduced as against what might be termed a "normal" year. Inevitably, the Presbytery Mission Planning process had a significant impact on the work of the Committee given that it was agreed that only works of an emergency, wind/ watertight or replacement/repair nature would be considered, together with attendant financial assistance, during the Presbytery Mission Planning process until requisite Plans had been approved. Now that most Presbytery Mission Plans are approved and are being implemented, it is hoped and expected that the volume of applications for works and any attendant financial assistance will revert to "normal" levels and indeed each Presbytery has been contacted with a view to encouraging congregations to make appropriate application for works to buildings and, if required, financial assistance thereon. Reference is made to the guidelines for applications and works to buildings in the General Trustees section of the Church website and paper copies are available by contacting the General Trustees.

**5.1.2** Specialist advice continued to be made available in the areas of:

- Lighting
- Heating
- Audio Visual (AV) systems
- Communion-ware, memorials and movables
- Local Authority planning and Ecclesiastical Exemption
- Release of funds held for the benefit of congregations in the Consolidated Fabric Fund for a variety of fabric and fabric-related items, including utility and insurance cost reimbursement

**5.1.3** The Fabric Committee meets ten times per year, usually in the second half of the month, and to December 2023 made available £779k in grant assistance, £1.8m in loans and £74k in Bequest Fund grants.

**5.1.4** Looking to the future, it is likely that in-person and on-site visits will once again be made by Trustees and staff, including Presbytery Buildings Officers, in consideration of applications for works to buildings. Congregations are strongly encouraged to engage with the Presbytery and the Trustees at the earliest possible opportunity where a project or major scheme of works, whether repair, refurbishment or new construction, is being considered.

### 5.2 Glebes Committee

**5.2.1** The Trustees encourage all congregations who have glebes to engage with the Trustees in the management of glebeland, either to generate income for their congregation – by leasing or sale – or to utilise land for mission purposes. The Glebes Committee considered how it assessed innovative proposals for the use of glebeland and found that it welcomed and supported these initiatives and would continue to do so. Accordingly, Kirk Sessions are encouraged to consider whether their glebes can assist with mission. To maximise income for the long term and, in many cases, provide much needed housing in rural communities, the Trustees are keen to engage with local congregations on long-term planning for potential development of glebeland. The Trustees engaged with the local parish in Barra to assist in

fulfilling their aim to provide a small area of glebeland for the construction of affordable housing, badly needed on the island. Twelve houses will be built by Hebridean Housing, a social housing charity. Six are already occupied at Rathad Na Ceardaich.

**5.2.2** Congregations who are considering getting involved in trading activity should make early contact with the Church of Scotland Law Department so that legal advice may be taken to ensure compliance with charity law requirements and allow all relevant matters including risk assessment, charitable purpose and trading vehicle to be considered.

**5.2.3** All income received from glebeland, whether rent or capital receipts, accrues for the benefit of the local congregation.

**5.2.4** Leases: The Trustees report that income from agricultural, grazing and amenity lets in 2023 was around the same level as in the previous year. Throughout 2023, 73 new leases were approved by the Trustees and 91 rent reviews of existing leases were carried out to ensure that rents remain at market rates. Total income generated from glebe rents was £438k which assists the financial commitment of congregations to support their Giving to Grow contributions.

**5.2.5** Sales: Where glebeland is sold, the capital received is credited to the Consolidated Stipend Fund and, as with glebe rents, the income accrued annually is applied towards Giving to Grow in that particular parish.

### **5.3 Presbytery Support & Buildings ("PSB") Committee**

**5.3.1** The PSB Committee has delegated responsibility from the General Trustees' Board to support and guide Presbyteries on General Trustee matters, generally relating to the management and release of buildings, disposals, special projects and Presbytery Mission Planning. Three working groups report to the PSB Committee covering Presbytery Mission Planning, the Historic Property Portfolio and Signature Churches.

**5.3.2** The PSB Committee gives particular focus to the development of Trustee guidance and policy. The committee will continue to develop guidance in relation to the letting of manses, the off-market transfer of properties, the management of buildings identified for disposal and templates to measure the affordability of buildings.

**5.3.3** The Committee has overall oversight with regards to the Trustees' response to Presbytery Mission Planning. Although much of the deliberation is conducted by subgroups, all report back to the PSB Committee. Through the PSB Committee, the Trustees have responded to Presbytery Mission Plans and more recently, Annual Evaluation and Development submissions, assisting PMPIC with its decision-making. The Trustees have additionally provided support to Presbyteries and uniting congregations with Presbytery Mission Planning-related building visits to assist local parties, as impartial advisors, to identify which buildings represent the best resources for mission and outreach.

**5.3.4** Over the last year, the Committee has overseen the completion of the Bertha Park Presbytery Mission Initiative, which involved the acquisition and fitting out of a shop unit in the Bertha Park suburb of Perth. The "Hub" provides a presence in a significant area of residential expansion to the Northwest of Perth and the unit is extensively used six days per week. Much of this use is community-based outreach with a big focus on children's activities such as music classes, high school drop-in sessions, youth clubs and toddler groups. Worship takes place once per week at the Hub as do bible study sessions.

**5.3.5** The Committee has also supported Presbyteries and congregations on various initiatives to generate income using buildings and sites identified for retention in the Presbytery Mission Plans. The Committee has sought to work with partners in the transfer of redundant sites for the purpose of the provision of social housing.

**5.3.6** The PBOs continue to provide invaluable advice to Presbyteries and congregations, as well as to the Trustees.

**5.3.6.1** The Presbyteries of Edinburgh & West Lothian, Fife, Forth Valley & Clydesdale, The North East & Northern Isles and Perth have PBOs in post. A new PBO has been recruited for Clyde, recruitment is underway for The South West and discussions are ongoing with Lothian & Borders and Cleir Eilean I.

**5.3.6.2** Further information on the contracts and funding for PBOs is contained at section 7.3.

**5.3.7** The Historic Property Portfolio working group was set up to administer the buildings and the remaining net assets in respect of two A-listed churches which were transferred to the Trustees following dissolution. While the costs associated with the upkeep of these buildings over an extended period are substantial, the disposal of both properties is now under detailed consideration and no similar transfers are envisaged at this time.

**5.3.8** The Signature Churches working group has been established to consider how best to assist congregations with the financial burden of having large iconic churches. Collaboration is being taken forward between the Trustees, the congregations and other bodies that may be able to assist with fabric advice or grant funding.

**5.3.8.1** It has already become apparent that many opportunities lie ahead for these congregations in community collaborations that will enhance their mission and financial sustainability for the future. We hope these collaborations will have lessons for the Church as the whole.

### **5.4 Audit and Assurance Committee**

**5.4.1** Since the 2023 General Assembly, the Committee has overseen the audit of the delayed 2022 Trustees' Annual Report as well as, more recently, the 2023 Trustees' Annual Report.

**5.4.2** The Committee is developing a more practical analytical tool to inform the Trustees' risk register.

**5.4.3** The Committee commissioned the Internal Governance Review referred to in section 3.1 and is considering how best to implement its recommendations.

## **5.5 Finance & Resources Committee**

### **5.5.1 General Finance**

**5.5.1.1** In addition to its involvement in the production of the Trustees' Annual Reports, the Committee reviews draft budgets and, after their approval by the Trustees, monitors performance through management accounts with summaries being provided to the Trustees.

**5.5.1.2** The budgeting process has been extended by the Stewardship & Finance Department to include five-year projections of income and expenditure. The principal features are the level of costs incurred by the General Fund and the level of Support Costs that it is able to charge to the other funds. Concerns about these projections have led to the proposals in section 7.2.

### **5.5.2 Energy Procurement Working Group**

**5.5.2.1** The working group carried out a tender exercise in mid-2023 for the supply of electricity and gas and, as intimated at the 2023 General Assembly, the favourable terms previously applicable could not be maintained due to major changes in world energy markets. This resulted in the average cost of each supply roughly doubling.

**5.5.2.2** The electricity supply contract from OPUS ended on 30 September 2023. E.ON Next is the new supplier under a fixed term contract running until 30 September 2025. Electricity is supplied to 845 congregations under the scheme.

**5.5.2.3** The gas supply from Scottish Hydro (SSE) ended on 31 March 2024. This has also switched to E.ON Next with the new fixed term supply contract running until 31 March 2026. Gas is supplied to 568 congregations under the scheme.

**5.5.2.4** When the electricity supply contract moved to OPUS in 2020, the level of standing charges reduced considerably. Relatively speaking, this benefitted premises with lower consumption levels. E.ON Next's even simpler charging structure enabled that approach to continue for electricity and it has now been extended to the gas contract. This should prove helpful to congregations with buildings awaiting disposal under Presbytery Mission Planning.

**5.5.2.5** Many congregations that participate for their gas supply will know that SSE changed its billing system in late 2023. Unfortunately, their new system was no longer capable of producing invoices for individual congregations. The Trustees can assure congregations that every effort was made on their behalf to resolve this problem caused by SSE. In March 2024, SSE started to issue manual invoices to the affected congregations although these could no longer be paid by direct debit. SSE has been made well aware of everyone's frustration and annoyance especially as this coincided with year-end accounts.

### **5.5.3 Church of Scotland Insurance Services ("COSIS") and the Insurance Forum Working Group**

**5.5.3.1** The Church Insurance Scheme, currently insured with Aviva, is due for renewal at the end of 2024. Negotiations are underway with both the current insurer and alternative carriers. The insurance marketplace for large property risks has become increasingly challenging post-pandemic. Additionally, the perceived risks associated with the Church, especially regarding property management and unoccupied properties following unions, will result in significant premium increases. To assist congregations and the General Trustees in finding a sustainable solution, COSIS is exploring alternative business models.

**5.5.3.2** Given the large number of changes in both occupancy and use of church property, congregations are reminded that they have a duty to disclose all relevant information to their insurer.

**5.5.3.3** As the sole shareholder of COSIS, the Trustees are kept informed of developments through the Insurance Forum including their impact on the future level of gift aided income.

**5.5.3.4** Collaboration has also been developing at the executive level. Topics include cover for unoccupied buildings and building revaluations as well as managing the residual risks run by the Trustees as the owner of most of the insured buildings.

### **5.5.4 Investment Update**

**5.5.4.1** Investment Policy Review: The Committee is also responsible for making investment recommendations to the Trustees and, in so doing, it periodically commissions an external review of its Investment Policy. Mercers were appointed in September 2022 following a robust tender process and they first reported back to the Committee with their key findings in January 2023. A follow up report was presented in April 2023 with recommendations regarding the optimum asset mix for each of the five funds under the control of the Trustees based on the continued deployment of the Growth, Income and Deposit Funds of the Church of Scotland Investors Trust ("COSIT"). These recommendations on asset mix were accepted in full and implemented by the Stewardship and Finance Department on behalf of the Trustees during the course of 2023. The original report from Mercers was shared with COSIT and this was followed up with a meeting with the COSIT Chair and Vice-Chair. It was later in 2023 that the Trustees were informed that COSIT intended to undertake its own investment review and that began with COSIT appointing new investment consultants, Barnett Waddingham, in September 2023. At the time of writing, the General Trustees have yet to be formally notified of the outcome of that review by COSIT. It is only then that the Committee will be in a position to re-evaluate the original Investment Policy Review from Mercers.

**5.5.4.2** Investment Performance: All of the funds under the control of the Trustees are currently invested in the Growth, Income and Deposit Funds of COSIT whose report to the General Assembly provides investment performance information.

**5.5.4.3 Gaberston House:** Gaberston House is a residential service for adults with mental health issues and run by CrossReach. The support service has been operating in Alloa since 1990. In late 2022, CrossReach approached the Trustees to ask for assistance in funding the rebuilding of Gaberston House. After detailed discussions, the Trustees agreed to provide a loan facility for CrossReach to be drawn down as the redevelopment work progresses. It is anticipated that the first such payment will be made in April 2024. The total loan facility is £3.2m and it will be provided from the Consolidated Stipend Fund with the agreement of the Faith Action Programme Leadership Team. This represents just over 3% of the fund and the interest earned will contribute to the income distributed to congregations. The security of the loan has been guaranteed by the Unincorporated Entities. The loan agreement and the guarantee were reviewed by the Law Department and approved by the General Trustees and the Assembly Trustees. The remainder of the Consolidated Stipend Fund is still invested in the Investors Trust Growth Fund. The Trustees do not envisage making any further loans of this nature.

## 6. MANSES

### 6.1 Deliverance from the 2023 General Assembly

**6.1.1** The collated deliverance of the General Assembly of 2023 included the following four that related to manses:

- (a) Instruct Congregations to ensure that all retained Manses are fully wind and water-tight and meet the Repairing Standard as per the Housing (Scotland) Act 2006 by 31 December 2024.
- (b) Instruct Congregations to provide a valid Energy Performance Certificate and a report on compliance with the Repairing Standard along with the next Manse Condition Schedule sent to Presbyteries.
- (c) Remind Presbyteries of their oversight obligations in regard to each of the above.
- (d) Establish a Manse Liaison Group to present a proposal on manse provision to the General Assembly of 2024 with the involvement of the General Trustees, the Faith Nurture Forum, the Assembly Trustees, Presbyteries, Presbytery Buildings Officers and the Law Department.

### 6.2 Manse Conditions

**6.2.1 A Manse Working Group (Standards)** was established in May 2023 with representatives of the General Trustees, Faith Action Programme Leadership Team, Assembly Trustees and the Law Department invited to attend monthly meetings. Terms of Reference for the Group were agreed and the main purpose of the working group is to share knowledge about current and future manse requirements in relation to the habitability, and energy efficiency, of the manse, and compare how they rate against currently agreed standards.

**6.2.2** The Repairing Standards, as per the Housing (Scotland) Act 2006, have been updated to reflect the latest legislation requiring compliance from 1 March 2024. The current Repairing Standards are attached at Appendix 2. The repairing standards were circulated by email to Presbyteries in July 2023 together with a request to:

- **Instruction to Congregations:** (deliverance 6.1.1 (a)) Ensuring manses meet the Repairing Standard.
  - All retained manses within our Presbytery must be maintained to the highest standards of habitability. As per the Housing (Scotland) Act 2006, we kindly request that you instruct your respective congregations to ensure that all Manses are fully wind and watertight, meeting the Repairing Standard. This compliance will help provide safe and comfortable housing for our ministers. We have attached the standard factsheet to pass on to congregations for reference.
- **Instruction to Congregations:** (deliverance 6.1.1 (b)) Submission of Documentation
  - To ensure transparency and accountability, we request that Congregations provide the following documents as part of their next Manse Condition Schedule submission:
    - *A valid Energy Performance Certificate for each Manse*
    - *A report on compliance with the Repairing Standard*
  - Including these documents will assist us in evaluating the overall condition of each manse and identifying any necessary improvements to meet the required standards.
- **Reminder of Presbyterial Oversight Obligations** (deliverance 6.1.1 (c))
  - We would like to remind all Presbyteries of their oversight obligations regarding the abovementioned matters. We must actively oversee and monitor the adherence to the Repairing Standard by each Congregation and ensure their compliance with the housing regulations. By working collaboratively, we can promptly address any concerns and rectify any issues.
  - As a courtesy reminder to all Presbyteries that five-yearly (“quinquennial”) inspections on manses are still required to be undertaken by either the PBO (if they have one) or a chartered architect or building surveyor

**6.2.3** Acknowledgements were received from 17 out of the 19 Presbyteries. Subsequent to the email in July 2023, a further request was issued to Presbyteries requesting that they provide “a list of the manses within your Presbytery which do not meet the required standards and are to be retained under the Presbytery plan”. The aim of the request was to focus grant funding and resources towards the manses, ministers and their families that were most in need of assistance and allow the General Trustees to assess the likely funds and resources that would be required to ensure that manses meet the minimum standards.

**6.2.4** A summary of the responses is included at Appendix 3. To summarise, from the evidence provided it appears that only two Presbyteries are proactively managing the review of manse condition with a programme in place for the upgrade or replacement of manses. Most Presbyteries deal with manses in an ad hoc manner as and when issues are brought to their attention. In conclusion, the Trustees believe that a significant amount of input will be required to assist congregations and Presbyteries with their obligations to provide manses of the required standard.

**6.2.5** Given the information received to date, at this time we are therefore unable to draw any further conclusions on the condition of manses and note that further dialogue will be required between the manse working group, Presbyteries and congregations during 2024.

**6.2.6** In order to gather information directly from ministers, a survey has been issued requesting information on how the ministers feel about the manse relating to its condition, energy performance and suitability. The survey was issued to ministers on 8 March 2024 with a request that responses be completed before the start of Holy Week. This is the link to the questionnaire: <https://forms.office.com/e/5ww49QGkTb>

**6.2.7** As there is public access to the residential Energy Performance Certificates (EPC), the General Trustees Business Support team have downloaded all EPCs relating to manses and the following table has been prepared showing the EPC ratings for manses by Presbytery:

Presbytery	Energy Performance Certificate Rating							No record
	A	B	C	D	E	F	G	
Clyde	0	0	17	25	9	1	0	12
Edinburgh & West Lothian	0	2	15	28	8	2	0	35
England	0	0	1	1	0	0	0	2
Fife	0	3	24	17	3	1	0	8
Forth Valley & Clydesdale	0	0	30	46	9	0	0	21
Glasgow	0	5	25	50	20	10	0	20
Cleir Eilean I (Highlands & Hebrides)	0	0	13	31	21	13	2	36
Lewis	0	0	0	1	0	1	0	7
Lothian & Borders	1	0	11	22	9	3	0	14
North East & Northern Isles	1	2	15	37	19	8	0	26
Perth	0	4	32	38	16	1	0	29
South West	0	3	11	37	26	4	0	35
<b>Total number</b>	<b>2</b>	<b>19</b>	<b>194</b>	<b>333</b>	<b>140</b>	<b>44</b>	<b>2</b>	<b>245</b>
<b>Percentage</b>	<b>0.2%</b>	<b>2.0%</b>	<b>20.0%</b>	<b>34.3%</b>	<b>14.4%</b>	<b>3.6%</b>	<b>0.2%</b>	<b>25.3%</b>

Notes on table

1. The table is based on information drawn from the database of manses held by the General Trustees on 30 October 2023.
2. This is a live situation with manses being sold and new manses purchased on a monthly basis however this is unlikely to have a major impact on the overall percentages reported above.
3. No record means that there is no EPC for the manse held publicly, this may be for a variety of reasons which requires further investigation.

From the above table the following points are highlighted:

- There remains around 25% of manses with no record of an EPC on the public record. This is despite the deliverance in 2013 that all manses should have an EPC (deliverance 6.1.1 (b)).
- Only circa 22% of manses have an EPC rating of C or above.
- The majority of manses (circa 35%) have an EPC rating of D.
- Due to the rising energy bills, the EPC rating of manses is having an impact on the cost of living for ministers and their families.

**6.2.8** The Manse Working Group has reviewed and discussed the above data and recommended that:

- a. Where no record of an EPC can be found publicly, congregations will be contacted directly by the General Trustees to discuss why there isn't an EPC and arrange for one to be completed as soon as possible if required.
- b. Manses with EPC ratings of E and below are to be prioritised and reviewed by Presbytery with assistance from the General Trustees.
- c. A review be undertaken to assess the actions required to improve EPC rated D properties to a C rating.
- d. A pilot study be undertaken within one Presbytery to undertake the works required to improve manses from an EPC rating of D to C or above if possible.
- e. Progress is reported and assessed against the above table for future reports.

**6.2.9** Based on findings from the above actions, the Manse Working Group will draft guidance relating to manses to assist Presbyteries and Congregations with their responsibilities relating to the repair of existing manses and how to make informed decisions to upgrade or sell manses.

**6.2.10** In conclusion, whilst progress is being made relating to manses, significant further works are required to ensure that the manses provided for ministers and their families are of a good standard, make their contribution to net zero and provide suitable spaces for ministerial activities.

### **6.3 Manse Provision**

#### **6.3.1 Background**

**6.3.1.1** In response to a Deliverance from the 2023 General Assembly, a Manse Working Group (Provision) was formed comprising representatives from the General Trustees, Assembly Trustees, Faith Action Programme Leadership Team, Law Department, Stewardship & Finance Department, Presbyteries and Ministers (the Group).

**6.3.1.2** The Group considered a variety of documents, including previous reports to the General Assembly by the former Ministries Council and Board of Ministry, HMRC position and advice from the Church's tax advisers and information from other denominations. Those also invited to attend a meeting of the Group were Rev Robert Allan, Minister at Falkirk Trinity, and the proposer for the above Deliverance; a Minister from a Priority Areas congregation; and the Secretary to the Housing & Loan Fund.

#### **6.3.2 The Current Position**

**6.3.2.1** The current default position for the Church of Scotland is that a minister is required to live in the manse provided by the congregation. The HMRC position has not changed over a long number of years and HMRC has long accepted that ministers living in manses provided by their congregations fall within their tax exemption guidelines. Further reference is made to the remuneration package of a minister, which comprises a stipend, the right to be provided with a manse and the corresponding duty to occupy it and discharge the duties of their office from it, in the Assembly Trustees' Report.

**6.3.2.2** If the Church of Scotland was unable to prove that living in a manse was the default position for ministers and that the accommodation was provided for the better performance of their duties, then the tax advantage would be lost for all ministers. This would have costly consequences as those ministers who were housed in manses would be taxed on the provision of this accommodation as a benefit in kind.

**6.3.2.3** The Group considered that as long as the HMRC position remained as it had always been, the default position for Church of Scotland ministers should not change. However, there were also a number of other reasons that the Group considered a minister should, wherever possible, live in the manse of the parish that he/she ministers to:

- A parish minister is called into a relationship with a congregation. The minister becomes a part of the community that is the congregation, as well as being part of the wider community in which the church is situated. To be an effective pastor as well as a leader, the minister needs to live as a true member of the two communities and as a representative of the congregation. The most effective way of achieving this is to be living in a house the church has provided – it makes the minister 'one of us'. To live in a home of one's own is to set up a boundary which works against this principle.
- As the manse is the church's property it makes it a 'safe' place for people to come for church business and for pastoral reasons.
- As a vocation, ministry demands constant attention and availability, with unpredictable needs arising at any time. Given the nature of the role and its relentless pressures, it is advantageous for ministers to be relieved of the burdens associated with property ownership. A manse provides the necessary space for ministers to fully dedicate themselves to their calling and deliver their best efforts without the added stress of property responsibilities.
- When a minister is called to a charge, and then on to another charge, there is a need, in terms of ministerial function and commitment to the congregation, to arrive completely and to leave completely, without any lingering problems of not having managed to sell their house and/or not completed a purchase in the place they are going to. The housing market does not perform to the Church's timetable. The provision of a manse takes away the problem.
- The housing stock in each parish differs in style and price. When moving from one charge to another, a minister may not be able to afford a house in the place they are going to and/or there may not be a house suitable for the minister on the market at the time that the minister needs to purchase. In some markets, house sales can be stagnant for many months. Moving into the manse of the congregation ensures that none of this need be considered.

- Ministers living in manses are relieved of the considerable stress and financial worry associated with an unexpected and otherwise crippling repair bill and Council Tax and associated water charges are usually met by the congregations.

### 6.3.3 The Alternatives

#### 6.3.3.1 Minister living in own home

**6.3.3.1.1** Currently, a minister wishing to live in their own house is required to make an application, via Presbytery, to the Manse Adjudication Committee (MAC). The Group reviewed the MAC Regulations (Regs III 2013) (as amended by Regs I 2021) and considered them to be robust and fit for purpose. The Group noted that there were only two applications to the MAC in 2023. The MAC Regulations recognise that in exceptional circumstances a minister may be allowed to live in their own home—the circumstances for this are usually:

1. Where the Parish manse is not suitable for the specific needs (for reasons of health or disability) of the minister or an immediate family member.
2. The minister is within less than 12 months of retirement and the planned move from the designated manse to the minister’s own home is accepted as part of the overall retirement process.
3. The designated manse is of such a low standard, with no other suitable accommodation nearby, that the minister, who may have a home in the area, has no choice but to move into their own accommodation (such a scenario is rare but not unheard of).

#### 6.3.3.2 Mixed economy—some ministers live in manses and some in own home

**6.3.3.2.1** The Group considered the reasons put forward for, and the consequences of, allowing ministers the option to live in their own home. It was noted that any system of removing the duty to live in the manse would result in replacing a tax-free benefit with a system where income (either in the form of housing allowance or rent) was chargeable. While it was noted from discussions that some other denominations offered their ministers the option to live in their own home, the Group’s understanding is that the tax implications are the same for all denominations.

### 6.3.4 Manse standards

**6.3.4.1** Of concern to the Group and to many in the Church was the standard of some manses and the struggle some ministers face to have them properly maintained. The Group considered that the poor condition of some manses was linked to the issue of some ministers indicating a preference to live in their own homes. The Trustees’ Manse Liaison Group (Standards) has considered this further and has provided a report at section 6.2 and Appendices 2 and 3.

### 6.3.5 Housing in Retirement

**6.3.5.1** The Group recognised that ministers who live in a manse throughout their ministry may struggle to purchase a house for their retirement, although many do own houses either bought for retirement or to rent out until required or sold and a more suitable replacement bought for retirement. The Housing and Loan Fund provides a valuable benefit and for those meeting the Fund’s criteria, can purchase a house to rent in the area of a minister’s choosing up to the purchase limit set annually by the Fund, currently £260,000. A minister usually pays a reduced rent, currently 50% of market rent. Widows, widowers and bereaved civil partners are currently charged 25% of market rent. Alternatively, depending upon the applicant’s level of capital, the Fund can provide a loan to assist with house purchase up to the same price limit. Applications are welcomed from those up to 10 years away from retirement. The Secretary of the Housing and Loan Fund is always willing to discuss how the Fund might be able to assist.

### 6.3.6 Conclusion and recommendations

**6.3.6.1** The Group considered all the relevant information available, and the views presented to it and recommends to the General Assembly that manse provision should remain as the default position of the Church of Scotland unless and until HMRC’s position on the taxation of living accommodation changes.

## 7. FINANCIAL RESOURCES

### 7.1 Use of Monies in the Consolidated Fabric Fund

**7.1.1** Background: The Consolidated Fabric Fund (the “CFF”) was created in 1996 and is administered by the General Trustees. Holdings in the CFF comprise Capital Accounts and Revenue Accounts. At present, Capital is only available for approved fabric expenditure while Revenue can also be used for approved fabric-related costs such as heating, lighting, cleaning and insurance. The Trustees continue to promote the latter and there has been an increase in the number of congregations taking advantage of it for the cost of utilities albeit such disbursements are only made if invoices are submitted.

**7.1.2** At the 2003 General Assembly, it was agreed that those congregations which had balances in excess of £50,000 in their Revenue Account could make withdrawals for non-fabric related projects within the spirit of the “Church Without Walls” Report to the General Assembly of 2001 subject to Presbytery approval. This is little used.

**7.1.3** At present, if a congregation’s holding in the CFF is in excess of its reasonable requirements for fabric purposes, the whole or part of the surplus may be transferred to a holding in the Consolidated Stipend Fund. This is also little used.

**7.1.4** The General Trustees have been investigating what options there may be for increasing the flexibility and simplifying the administration of the CFF in order to permit disbursements for non-fabric purposes. The following two proposals have emerged:

**7.1.4.1** Revenue Accounts: That, with effect from 1 June 2024, Revenue may be disbursed to congregations for any purpose that is aligned with the Five Marks of Mission subject only to the congregation’s application indicating how it intends to use the money. To be clear, it would no longer be limited to fabric work or utility costs and receipts would no longer be required.

**7.1.4.2** Capital Accounts: That, with effect from 1 June 2024, Capital may also be released for non-fabric projects. This would be considered on a case-by-case basis and would require consideration of how much Capital is likely to be required for future building works, maintenance and fabric-related costs in coming years. An allowance would be made for any locally held restricted fabric funds. If there is still likely to be a very substantial amount of Capital remaining, it may be possible for some of that Capital to be released for non-fabric projects aligned with the Five Marks of Mission.

**7.1.4.3** For information, the Five Marks of Mission are:

- To proclaim the Good News of Kingdom
- To teach, baptise and nurture new believers
- To respond to human need by loving service
- To seek to transform unjust structures of society, to challenge violence of every kind and pursue peace and reconciliation
- To strive to safeguard the integrity of creation and sustain and renew the life of the earth.

**7.1.5** A document entitled “Guidance on the Use of Monies in the Consolidated Fabric Fund” was approved by the General Assembly in 1995 and further amended in 1997 and 2003. If the Assembly approves the proposals set out in section 7.1.4, this Guidance will be amended post-Assembly to reflect those changes.

**7.1.6** Alterations to the “Use of Monies in the Consolidated Fabric Fund” to give effect to these proposals are contained in Appendix 5.

## **7.2 Financial Resources of the General Trustees**

**7.2.1** Background: In the corresponding section of the Trustees’ report to the 2023 General Assembly, figures were provided that highlighted the fact that the administrative costs assessed as being incurred in respect of each of the restricted funds far exceeded the level of support costs that the General Fund was allowed to charge. The difference represented a subsidy from the General Fund to the restricted funds. The level of these subsidies has increased further in 2023 and Stewardship and Finance’s projections show that they will increase at an alarming rate in future if nothing is done to address the matter. Indeed, in just a year or two, the free reserves that require to be held in the General Fund for contingencies will no longer be adequately covered.

**7.2.2** Proposal: The Trustees propose that, with effect from 1 January 2025, each restricted fund will be charged with an amount not exceeding the actual incurred costs assessed in line with the Statement of Recommended Practice (“SORP”). In respect of the Consolidated Fabric Fund, the SORP will require the charge to be limited to the costs incurred for the investment element of the CFF and not the buildings element. The significant costs incurred by the Trustees working with congregations and Presbyteries on building element, whose costs will continue to be met from the General Fund.

**7.2.3** Impact: Despite the increase in charges, they will still be very small compared to the size of the restricted funds and that is why FAPLT has accepted the need for these changes.

## **7.3 Presbytery Buildings Officers (“PBOs”)**

**7.3.1** Funding Proposal: The Trustees propose that, with effect from 1 January 2025, the total cost of employing the PBOs (payroll costs plus expenses) will be met by the Trustees’ General Fund with the intention that half would be charged to the Central Fabric Fund with that proportion being kept under review. Such a review would take account of the expected increase in income to the Central Fabric Fund arising from the application of the Levy to the net proceeds of sales of buildings as well as the future level of requests from congregations for grants and loans.

**7.3.2** Condition: This proposal would not proceed if, for whatever reason, the revised basis for charging support costs to the restricted funds did not also proceed.

## **7.4 Levy on the Net Proceeds of Property Sales**

**7.4.1** Background: The current 10% levy is applied to the net proceeds of property sales (subject to certain limitations) and is credited to the Central Fabric Fund from which the Trustees provide grants and loans for fabric purposes. In section 6.4.9 of the Trustees’ report to the 2023 General Assembly, the Trustees said they would consider whether the levy might be increased with the increase being made available within the congregation or the wider Presbytery for fabric or non-fabric purposes.

**7.4.2** Following consultation, the Trustees have decided to take this suggestion no further at present especially as the increased flexibility being proposed for the Consolidated Fabric Fund should be capable of providing congregations with assistance for non-fabric projects in a less complicated manner.

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## **8. LEGISLATION**

### **8.1 Legislation Review**

**8.1.1** As promised, work has been carried out to bring together all of the various Acts and Regulations into a consolidated Act, to be named The General Trustees (Properties, Funds and Endowments) Act. This Act will be presented to the Assembly in a Supplementary Report.

### **8.2 Land Reform (Scotland) Act 2016 (Register of Persons Holding a Controlled Interest in Land) Regulations 2021**

**8.2.1** The Trustees are pleased to report to the Assembly that although, regrettably, the Scottish Government has not been willing to change its policy so as to take a more proportionate approach to those in scope and required to submit entries in this new Register, there have been some positive developments.

**8.2.2** Having reflected further on the nature of their role, the Trustees resolved to seek the view of the Procurator as to whether it was correct to characterise their holding of title to congregational properties as being, in the words of the Regulations, *“as a trustee of, or otherwise on behalf of, the members of an unincorporated body of persons”*. The Procurator’s Opinion is that such properties are not in fact held on that basis.

**8.2.3** Historically and by express declaration in the Declaratory Articles, the Church of Scotland has a national mission to bring “the ordinances of religion to the people in every parish of Scotland through a territorial ministry”. A church was to be provided for every parish and was for the benefit of the inhabitants of the parish as a whole. The Church has the ability and right to promote the erection, disjunction or suppression of ecclesiastical parishes and in doing so, allocating churches (with associated manses and glebes) for the purpose of ministering to the parish. This is consistent with church properties being held for the benefit of the parish, as opposed to an individual congregation. This was reflected in the provisions of the Church of Scotland (Property and Endowments) Act 1925 and a subsequent amending Act in 1933 which saw the transfer of title to churches, manses and glebes to the Trustees. Such properties can therefore be seen as being held for the Church of Scotland and not – for the purposes of the Regulations – *“on behalf of”* members of a congregation.

**8.2.4** That is not to say that churches, halls, manses and glebes are not held for the delivery of the Church’s national mission by congregations. They are indeed held for that purpose and for most practical purposes must be treated as being the responsibility of the congregation as the “embodiment” of the parish.

**8.2.5** In light of the legal Opinion received from the Procurator, no congregational properties vested in the Trustees require to be registered in the Register of Persons Holding a Controlled Interest in Land. This will come as a relief to the thousands of office-holders who would otherwise have to enter their details in the Register.

**8.2.6** Unfortunately, the position is different for properties where title is held in the names of local congregational trustees. These trustees will still have to enter their details on the Register. The Law Department has been working with the Registers of Scotland to try to find the least burdensome way in which this can be done, given the number of entries required, but at the time of writing no solution is available which will remove the requirement for individual registrations. The Law Department can support congregations through this process in a number of ways:

- They can provide congregations with information about the properties held for the congregation and the title-holding trustees, and sign-post to tailored guidance to help office-bearers to make the required entries in the Register
- They can make the necessary entries on behalf of a congregation, for a small fee
- They can provide information about properties and title-holding trustees and congregations can engage the services of a local solicitor to complete the required entries

**8.2.7** The registration process is not straightforward and detailed guidance, together with worked examples, can be found on the Church website: [RCI guidance for congregations \(churchofscotland.org.uk\)](https://www.churchofscotland.org.uk/rci-guidance).

**8.2.8** All of this involves an additional burden on staff in the Law Department at a time when resources are already stretched in dealing with the increased volume of property sales and other work flowing from the large number of unions and other readjustments in implementation of Presbytery Mission Plans. A programme is in place to assist congregations with the registration process and a dedicated email address – [RCI@churchofscotland.org.uk](mailto:RCI@churchofscotland.org.uk) – has been set up, to which all communications on this topic should be addressed. The transition period for compliance ended on 1 April 2024 but office-bearers should not see this date as being of critical importance, given that a programme of compliance is underway.

### **8.3 Determinations under Regulations V 1995**

**8.3.1** The Regulations provide a mechanism to re-allocate the capital held by the Trustees for the benefit of congregations in the Consolidated Stipend and Fabric Funds. There were two reallocations during the reporting period, both from the Consolidated Fabric Fund to the Consolidated Stipend Fund.

### **8.4 Determinations made under Act VII 1995**

**8.4.1** The Trustees report that, under the powers delegated to them by the General Assembly by Act VII 1995 (as amended by Act XIII 1996), they have made 150 Determinations as set out below in Appendix 4.

## **9. OPERATION OF THE GENERAL TRUSTEES**

### **9.1 General Trustees and Advisory Members**

**9.1.1** The Trustees wish to record their thanks for the dedicated service given to them and to Congregations by those who have retired or resigned since the General Assembly of 2023:

#### **9.1.2 General Trustees: Retirements:**

- Mr Richard S Bell (May 2024) (Fabric Committee, Safe Buildings Working Group, Manse Working Group (Conditions))
- Mr Douglas Kerr (May 2024) (Glebes Committee)
- Mr John W Maddock (May 2024) (Fabric Committee, PSB Committee)
- Dr John M Trushell (May 2024) (Convener of the Fabric Committee)

#### **9.1.3 Advisory Members: Retirements:**

- Mr Hamish McBean (May 2024) (Glebes Committee)

**9.1.4** Six Advisory Members have been appointed by the Board since the 2023 General Assembly:

- Mr Fraser Bews (September 2023) who serves on the Finance & Resources Committee
- Rev Dr David Coulter (September 2023) who serves on the PSB Committee
- Mr Tim Podger (September 2023) who serves on the Fabric and PSB Committees
- Rev Nigel Robb (September 2023) who serves on the Fabric, PSB and Audit & Assurance Committees and Manse Working Group (Conditions)
- Rev Dr George Whyte (September 2023) who served on the PSB and Audit & Assurance Committees
- Mr Michael Pearson (February 2024) who serves on the PSB Committee
- Mr Logan Brown (March 2024) who serves on the Glebes Committee

**9.1.5** The Trustees ask the General Assembly to appoint Mr Fraser Bews, Rev Dr David Coulter, Mr Tim Podger and Rev Nigel J Robb as new members of the General Trustees.

**9.1.6** One Advisory Member resigned since the 2023 General Assembly:

- Rev Dr George Whyte (September 2023) who served on the Fabric, PSB and Audit & Assurance Committees

**9.1.7** The Trustees recommend that Mr Alan Kennedy (Chair) and Rev Scott Rennie (Vice-Chair) each receive £2,000 for their services as Chair and Vice-Chair over the past year, as authorised under S.38 of the 1925 Act.

**9.1.8** The Trustees continue to seek new members with skills and backgrounds aligned to its needs and its wish to increase the diversity of its membership. Those interested are asked to contact the Chair, Vice-Chair or Chief Executive for further information.

## **9.2 Staffing**

**9.2.1** The Trustees were pleased to appoint Mr Brian Waller as Chief Executive and Clerk with Mrs Morag Menneer as his depute.

*In the name of the General Trustees*

ALAN F K KENNEDY, *Chair*  
SCOTT RENNIE, *Vice-Chair*  
BRIAN D WALLER, *Chief Executive*

**Appendix 1****Funds of the General Trustees**

	31/12/2023 (£'000)	31/12/2022 (£'000)
<b>Held for Congregations (Consolidated)</b>		
Glebes (Land)	29,588	29,392
Stipend Fund (Investments)	109,252	100,043
<b>Total Stipend</b>	138,840	129,435
Buildings (Churches & Halls)	238,208	234,927
Buildings (Manses)	294,933	298,042
Fabric Fund (Investments - Capital)	88,677	77,770
Fabric Fund (Investments - Revenue)	9,884	11,705
<b>Total Fabric</b>	631,702	622,444
Individual Funds	4,349	4,128
<b>Total for Congregations</b>	774,891	756,007
<b>General Trustees' Funds</b>		
General Fund	11,524	11,084
CoSIS	7,307	7,057
Central Fabric Fund	21,745	19,788
Glebe Improvement Fund	441	384
Heritage Property Fund	793	652
Individual Bequests	3,699	3,427
<b>Total for GT Funds</b>	45,509	42,392
<b>Grand Total</b>	820,400	798,399
<b>Total for Buildings and Land</b>	562,729	562,361
<b>Total for Investments</b>	212,162	193,646
<b>Total for GT Funds</b>	45,509	42,392
	820,400	798,399

**Appendix 2****Manse Standards****The Repairing Standard**

- The property must be wind and watertight and in all other respects reasonably fit for people to live in.
- The structure and exterior (including drains, gutters and external pipes) must be in a reasonable state of repair and in property working order.
- Installations for supplying water, gas and electricity and for sanitation, space heating and heating water must be in a reasonable state of repair and in proper working order; any fixtures, fittings and appliance that they are provided must be in a reasonable state of repair and in proper working order.
- Any furnishings must be capable of being used safely for the purpose for which they are designed and the property must meet the tolerable standard (see below).
- Water pipes must be free of lead (where this cannot be ascertained water testing must be carried out to check for the presence of lead piping).
- Electrical installations must be protected by a residual current device (RCD).
- Properties must have a fixed space heating system (a permanent installation in the property which is plumbed or hard-wired and capable of maintaining a temperature of 21°C in at least one room and 18°C elsewhere, when the outside temperature is -1°C).
- Installations for fuels other than gas and electricity to be in a reasonable state of repair and in proper working order.
- Any common parts pertaining to the property must be able to be accessed and used safely.
- The property must have satisfactory provision for, and safe access to, a food storage area and food preparation space.
- Where the property is in a tenement, common doors must be secure and fitted with satisfactory emergency exit locks and a secure entry system.

**The Tolerable Standard**

The Housing (Scotland) Act 1969 introduced the tolerable standard which is a basic standard of habitability and applies to all housing in Scotland, regardless of tenure. A property meets the tolerable standard if it:

- Is structurally stable
- Is substantially free from rising or penetrating damp
- Has satisfactory provisions for natural and artificial lighting, for ventilation and for heating
- Has satisfactory thermal insulation
- Has an adequate piped supply of wholesome water available within the property
- Has a sink provided with a satisfactory supply of both hot and cold water within the property
- Has an indoor toilet for exclusive use of the occupants of the property
- Has a fixed bath or shower and a wash-hand basin, each provided with a satisfactory supply of both hot and cold water and suitably located within the property
- Has an effective system for the drainage and disposal of foul and surface water in the case of a property having a supply of electricity, complies with the relevant requirements in relation to the electrical installation for the purposes of that supply
- Has satisfactory facilities for the cooking of food within the property
- Has satisfactory access to all external doors and outbuildings
- Has satisfactory equipment installed for detecting, and for giving warning of, fire or suspected fire
- Has satisfactory equipment installed for detecting, and for giving warning of, carbon monoxide present in a concentration that is hazardous to health

**Appendix 3**

**Manse Standards – Update received from Presbyteries following request for information in November 2023**

<b>Presbytery</b>	<b>Summary and General Trustee Comments</b>
Abernethy	Update received confirming condition and status of each manse.
Argyll	Copies of all survey reports shared with the Trustees, work required to review reports to assess which manses do not meet the required standards.
Caithness	No response received.
Clyde	Presbytery have committed to reviewing manse condition schedules and working with the Trustees to progress the requested review however couldn't meet the requested timescale. This is partly due to the vacant PBO position.
Edinburgh & West Lothian	Presbytery have shared a spreadsheet which reviews and compares all manses in relation to standard and energy performance. Presbytery are actively managing a programme of replacement or upgrading of manses.
Fife	Copies of all survey reports shared with the Trustees, work required to review reports to assess which manses do not meet the required standards.
Forth Valley & Clydesdale	No formal response from Presbytery. From speaking to the PBO, the Presbytery is managing the sale or upgrade of manses on a reactive basis. The lack of an approved Presbytery Mission Plan means that a proactive approach isn't currently possible.
Glasgow	Presbytery are actively monitoring and managing manses. Spreadsheet shared with Trustees.
Inverness	Request acknowledged but no information received. Told the Trustees to contact the new Presbytery Clerk.
Lewis	Status update provided for all manses.
Lochaber	General statement received confirming all manses meet the standards. Trustees to check against EPC register.
Lochcarron-Skye	Request passed on to session clerks. No responses received from Session Clerks.
Lothian & Borders	No response received, meeting arranged with Presbytery in March.
North East & Northern Isles	No formal response from Presbytery. From speaking to the PBO, the Presbytery is managing the sale or upgrade of manses on a reactive basis. The PBO is in touch with individual ministers who have concerns regarding manses.
Perth	Presbytery provided spreadsheet confirming manse ownership and basic update on status.
Ross	No response received
Sutherland	No response received
The South West	No response received
Uist	No response received

**Appendix 4****Determinations made under Act VII 1995****General Sales:**

In the following cases, the General Trustees made determinations authorising the sale or let of the property concerned and directed that the proceeds should be credited for the benefit of the congregations in the Consolidated Fabric Fund: Aberdeen: Devana – sale of hall; Aberdeen : Devana – sale of manse; Aberdeen: Fountainhall – sale of Rubislaw Church; Aberdeen: Fountainhall – sale of Holburn West Church; Aberdeen: Hillside – sale of Woodside Church; Aberdeen: Kingswell – sale of Kingswell Church; Aberdeen: Ruthrieston West – sale of Ruthrieston West Church; Aberdeen: St Mary’s – sale of manse; Abernethy, Dron & Arngask – sale of Arngask Church; Abernethy, Dron & Arngask – sale of manse; Abernuthnott; sale of Marykirk Church; Applecross, Lochcarron and Torridon – sale of manse; Avoch – sale of Avoch Church; Ayr St Columba – sale of manse; Ayton and District Churches – sale of manse; Balgay – sale of Balgay Church; Balmaclellan, Kells & Dalry – sale of manse; Barthol Chapel – sale of St Katherine’s building; Belhaven and Spott – sale of manse; Bennachie – sale of Blairdaff Church; Bennachie – sale of Cluny Church; Bennachie – sale of Kemnay manse; Bennachie – sale of Midmar Church; Bennachie – Old Blairdaff Ruin; Boat of Garten, Carrbridge and Kincardine – sale of Kincardine Church; Brimmond – sale of Bucksburn and Stoneywood Church; Burnside Blairbeth – sale of church and hall; Campbeltown – sale of Campbeltown Highland Church; Cargill Burrelton – sale of manse; Carnock & Oakley – sale of manse; Cathcart Old – sale of manse; Ceres, Kemback and Springfield – sale of Kemback Church; Clackmannan – sale of manse; Coatbridge New St Andrew’s – sale of retirement house; Coatbridge Old Monkland – sale of Church and Session House; Coatbridge Old Monkland – sale of manse; Coldstream & District Parishes – sale of Swinton Church; Corby – sale of St Andrew’s building; Cowal Kirk – sale of High Kirk; Cragnish – sale of Ardfern Church; Creich – sale of Creich Church; Crieff – sale of St Michael’s Church; Cromarty – sale of Cromarty Church; Crossmichael, Parton and Balmaghie – sale of manse; Cullen and Deskford – sale of Cullen Church; Cupar St John’s and Dairsie United – sale of Dairsie Church and Hall; Dalmellington – sale of Kirk of the Covenant (Dalmellington Church); Dalry St Margaret’s – sale of manse; Darvel, Galston, Loudoun, Newmilns – sale of manse; Dingwall Castle Street – sale of manse; Dundee Camperdown – sale of Church and Hall; Dundee Craigiebank – sale of Church site; Dundee: Menzieshill – sale of manse; Dundee St David’s High – sale of manse; Dysart St Clair – sale of church and hall; Eddrachillis – sale of manse; Edenshead – sale of Strathmiglo Church; Edinburgh: Clermiston – sale of manse; Edinburgh: Dalmeny and Queensferry – sale of manse; Edinburgh: Drylaw – sale of manse; Edinburgh: Polwarth – sale of manse; Edzell – sale of Fern Church; Edzell – sale of Carestone Church; Edzell – sale of Maule Memorial Church; Fearn Abbey & Nigg – sale of Fearn Abbey Church; Flotta – sale of Flotta Church; Fogo – sale of Fogo Church; Forbes St Laurence – sale of manse; Fort William Kilmallie – sale of Caol Church; Fort William Kilmallie – sale of Corpach Scout Hall; Garvald and Morham – sale of Garvald Church; Garvald and Morham – sale of Morham Church; Glasgow Broomhill Hyndland – sale of Hyndland Church; Glasgow Newlands South – sale of manse; Glasgow Queen’s Park Govanhill – sale of manse; Glasgow: Ruchazie – sale of manse; Greenock Lyle Kirk – sale of hall; Greenock Lyle Kirk – sale of manse; Greenock St Ninian’s – sale of Church, Hall and land; Hoy and Walls – sale of St Columba’s building; Hutton, Fishwick & Paxton – sale of Hutton Church; Hutton, Fishwick & Paxton – sale of Paxton Church; Inch – sale of hall; Inverness Inshes East – sale of East Church; Inverness Inshes East – sale of manse; Inverness Trinity Dalneigh – sale of Trinity Church and Hall; Johnstone St Andrew’s Trinity – sale of manse; Kelso Country Churches – sale of manse; Kilchrenan and Dalavich – sale of Dalavich Church; Kilchrenan and Dalavich – sale of Kilchrenan Church; Kilmalcolm Old – sale of manse; Kilmarnock New Laigh Kirk – sale of St John’s Onthank Church and Hall; Kilmarnock New Laigh Kirk – sale of manse; Kilmarnock St Marnock’s – sale of hall; Kilmuir & Logie Easter – sale of manse; Kincardine, Croick and Edderton – sale of Kincardine Church and Hall; Kincardine, Croick and Edderton – sale of manse; Kirkcaldy Abbotshall – sale of manse; Kirknewton and East Calder – sale of Kirknewton Church; Lasswade & Rosewell – sale of Lasswade Church; Linlithgow St Michael’s – exchange of land; Linwood – sale of manse; Lismore – sale of church and house buildings; Markinch & Thornton – sale of Thornton Church; Meldrum & Bourtie – sale of Bourtie Church; Monifieth South Angus – sale of Monikie Church; Monifieth South Angus – sale of Murroes Church; Montrose – sale of manse; Moy, Dalarossie and Tomatin – sale of Dalarossie Church; Newbattle – sale of hall at Mayfield; Newbattle – sale of Kirkbank Centre; Newport-on-Tay – sale of house building; North & West Islay – sale of Kilmeny Church; North & West Islay – sale of Portnahaven Church; Paisley West – sale of church and hall; Peterhead New – sale of Muckle Kirk; Petty – sale of East Petty Church; Pittenweem – sale of manse; Prestonpans Prestongrange – sale of manse; Quarter – sale of manse; Rathven – sale of Rathven Church and Hall; Rutherglen West and Wardlawhill – sale of manse; Sanday – sale of Sanday Cross Kirk; St Andrew’s Lhanbryd & Urquhart – sale of St Andrew’s Lhanbryd Church; St Andrew’s Lhanbryd & Urquhart – sale of St Margaret’s Hall; Stepps – sale of manse; South Islay – sale of hall; South Lochaber – sale of manse; Stonehaven Carronside – sale of South Church; Templehall and Torbain United – sale of Templehall Church; United Church of Bute – sale of manse; Upper Annandale – sale of Kirkpatrick Juxta Church and Hall; Upper Donside North – sale of manse; Urra & Kilchrist – sale of Urray Church; West Cowal – sale of Colintraive Church; West Gordon – sale of Cushnie & Tough manse; West Gordon – sale of Cushnie Church; West Gordon – sale of Noth manse; West Gordon – sale of Tough Church; West Gordon – sale of Upper Donside manse; Wick, Pulteneytown and Thrumster – sale of Thrumster Church; Yester, Bolton & Saltoun – sale of Bolton Church; Yester, Bolton & Saltoun – sale of Saltoun Church

**Glebe Sales:**

In the following parishes, the General Trustees made determinations authorising the sale of Glebe subjects and directed that the proceeds should be credited to the benefit of the congregations in the Consolidated Stipend Fund: Auchtertool; Kingussie; Kirkinner; Knockbain; Lismore; Netherlorn, Tillicoultry.

**Miscellaneous Sales:**

The General Trustees made the following miscellaneous determinations: Trinity Gask & Kinkell (Dissolved) – sale of Trinity Gask Church

## **Appendix 5**

Amendments to "Use of Monies in the Consolidated Fabric Fund" (as approved by the General Assembly of 1997 and amended by the General Assemblies of 1997 and 2003).

There will be added a new paragraph 6 in the following terms:

6. The General Trustees are empowered to release capital for non-fabric purposes subject to the following provisos:
  - (a) The purpose for which the money is to be released is one which has been approved by Presbytery as being within the spirit of the Report of the Special Commission anent Review and Reform to the General Assembly of 2001;
  - (b) The release of capital for non-fabric purposes would not be contrary to any trust conditions in the title of the property or properties from the sale of which the monies derive; and
  - (c) Capital may only be released to the extent that the General Trustees consider that the congregation's remaining holding in the Fund is sufficient to meet its future fabric requirements.