

Governance Board

INTRODUCTION

This is the first annual report to Conference by the Governance Board.

The Governance Board was established by Conference 2021. Section 9.01 of the Manual of Laws states that “The Governance Board of the Methodist Church operates under the delegated authority of Conference to act as the body responsible for the day-to-day control, direction, administration and management of the affairs of the Church.”

The Governance Board began its operations immediately after Conference 21 and held its first formal meeting on 2nd September 2021. The members of the Governance Board, who are also the designated Charity Trustees for the Church are: Mr. Tony O'Connor (Chair), Rev. Dr. Heather Morris (General Secretary of MCI and Convenor), Rev. Dr. Sahr Yambasu (President), Mrs Hazel Loney (Lay Leader), Rev. Dr. Tom McKnight (Past President), Rev. David Nixon (President Elect), Rev. Harold Agnew, Rev. David Campton, Rev. Nigel Mackey, Mr. John Clarke, Mr. Tom Millar, Mrs Gillian Kingston, Mrs. Laura Griffith Mr. Paul Cummings, and Mr. David Best. The Rev. Dr. Tom McKnight was granted leave of absence from the Board for the duration of the year and during this time he was not registered as a charity Trustee of MCI.

The Board is mandated to meet at least eight times per year. At the time of writing the Board has met on a monthly basis from September to April. Further meetings are planned for May and June prior to Conference ~~in June~~. This will bring the number of meetings between Conferences to ten. Attendance by Board members has been excellent with only occasional absences recorded. I am happy to report that the Board has worked very well to date. Members have been diligent in their preparation for meetings and their participation in meetings. The Board wishes to express its thanks to Elaine Barnett, the Board Secretary, whose excellent work has eased the administrative burden on the Board and has made the task of the chairing the group so much easier.

Board meetings have followed a fairly standard format, always including such items as reviewing the minutes of the previous meeting, declarations of conflict of Interest, a report from the General Secretary on ongoing matters within the church, administrative items, financial reports, policy paper reviews, committee and working party reports, items for decision, ad-hoc reports and general items for consideration. In all things the Board has been mindful of the need to seek God's guiding hand in everything that we do. The minutes of all Board meetings can be viewed on the MCI website.

Board Policy Manual

In December the Board prepared and adopted a Board Policy Manual. This manual sets out the detail of the operations of the Board. It expands on the points set out in the Manual of laws and includes information on such Items as the role of the Chair and Board members, the training of Board members, the conduct of meetings and decision taking, conflicts of interest, and the relationship between the Board and the executive branch of the church. The full Board

Policy Manual can be viewed on Teams at MCI Resources Team > Policies and Procedures Channel

PERMANENT BOARD COMMITTEES

At the outset the Board set up one main and three sub-committees as follows. The Terms of Reference of all of these committees can be found on Teams at MCI Resources>Governance Board

Each committee reports regularly to the Governance Board.

The Audit Risk and Budget committee (ARB)

The ARB is the principal vehicle through which the Governance Board seeks assurance on, and oversight of, all things financial and on the processes and procedures involved in the running of the church. The ARB replaces and expands on the original Connexional Finance Committee. The ARB is chaired by Board member Mr. David Best. Other members, who also come from the Governance Board, are the General Secretary Rev. Heather Morris, Mr Paul Cummings and Mr John Clarke. The ARB meets a minimum of three times per year. In order to spread the work load the business of the ARB was split between three sub-committees as follows:

The Audit and Assurance Sub-Committee (AAC)

The Audit and Assurance committee consists of Mr. David Best (chair), Rev. Nigel Mackey, Mr Tom Millar and Mr. Neil Payne. The Audit and Assurance committee has performed its duties well over the course of the year. The AAC's role is to support the Governance Board and the Senior Management team in their responsibilities relating to: the content and audit of the Annual Report and Financial Statements; ensuring the adequacy of financial risk management; and assessing of the control environment through both external and internal assurance. The Committee is an advisory body with no executive powers. It achieves change through the Governance Board and liaison with the Chief Financial Officer and the General Secretary. The Committee met on three occasions - 6th October 2021, 8th December 2021 and 12th April 2022 and further meetings are planned.

The following issues were covered at the AAC's meeting: outlining the new Committees structure; clarifying the terms of reference of the AAC; update on registering with the Charity Commission NI and the Charities Regulator ROI; agreeing a timetable for meetings and a work programme; the AAC Chair's meeting with the external auditors; leading in the development of a Risk Management Policy for MCI that was approved by the Governance Board; early discussion regarding assurances from internal control environment; review of the MCI 2020 Annual Report and Accounts and the external auditors previous year's management report.

As a result of the delay in completing the Annual Report and Accounts for the year ended December 2021, these will be subject to review by the AAC within a new audit timetable, to September 2022, which will include consideration the report from the external auditors.

The Finance and Budget Sub-Committee

The finance and budget sub-committee consists of Mr. Paul Cummings (Chair), Rev. Harold Agnew, Mrs. Laura Griffith, Mr. Harold Agnew and Mr. Bruce Mullen. The Finance and budget sub-committee meets a minimum of five time per annum. The principal duties of this committee consist of the review of the following: -

- Regular financial reports from the Chief Financial Officer
- The financial systems employed by the church.
- The various budgets prepared by departments and other elements of the church.
- Stipends, allowances and salaries.
- The annual Comprehensive Assessment.

The Finance Committee's focus has been on supporting the finance team in the implementation of our new finance system. This will continue to be a focus to their work going forward. This year the finance committee has reviewed the preliminary budgets, but further work is required in this area following the implementation of the new system. The changing financial climate has forced us to review the decisions made by conference 2021 on inflation uplifts and allowances in the areas of Stipends and Allowances and the Comprehensive Assessment, and to recommend some increases to the Board. These decisions are outlined later in this report. The registration as a single charity has required us to review our Reserves Policy and a new policy was drafted and adopted by the Board. Going forward we will be working on ensuring the setting of budgets in a timely way and providing good management information to ensure we manage our resources well.

The General Assurance Sub-Committee

The General Assurance sub-committee is chaired by Mr. John Clarke. Other members are the Rev. David Campton, Mrs Gillian Kingston and Rev. Andrew Irvine. The General Assurance committee meets at least three times per annum

The General Assurance committee is tasked with providing assurance to the Governance Board on non-financial issues where it is perceived significant risk might arise should the appropriate controls and policies not be in place. The committee commenced its work this year by developing a Risk Management policy in conjunction with the Audit and Assurance committee. The committee then began to review existing Risk registers and policies with a view to identifying where further work was required in their development.

Two areas were identified for attention during this Connexional year, Safeguarding and Associated Bodies. The committee met with the Safeguarding Officer and reviewed the 'Taking Care' and 'Taking Care of all' policies and noted the role of the Safeguarding Board. Improvements in process were noted in all aspects of work in this area, the committee did

however take note that certain recommendations, particularly in relation to record keeping, had arisen from the work of the Past Cases Review group. All of the recommendations have now been implemented.

The second area of work being undertaken by the committee relates to 'Associated Bodies.' Under the umbrella of MCI there are a significant number of organisations with differing management and governance structures, some of which are registered charities in their own right, for example, Gurteen College. The oversight role of the Governance Board in relation to these organisations will inevitably vary as the responsibility for and relationship with each organization is different. The committee continues to work on reviewing various governing documents in light of current best practice and seeks to identify where risk, either financial or reputational, could arise. This work is ongoing and will take some time due to the complexity of various relationships and the time span over which many of the organisations have existed and evolved.

FINANCIAL OVERSIGHT

The Governance Board is charged with the financial oversight of the church. The finance department of the church has operated under significant and extraordinary pressures over the past Connexional year. In particular: -

- The Covid pandemic continued to play a major role and many societies were negatively affected in terms of their income and their operations. Arrangements were put in place to assist those churches which felt the need to seek assistance.
- The implementation of a completely new accounting system across the Connexion was begun. This was a major undertaking, and it was not an easy process. Credit is due to the circuit and society treasurers and to the staff in the finance department for the excellent uptake and commitment to the new system. Many departments and societies are already using the system and it is anticipated that the full implementation of this system will be completed by the end of 2022. The benefits in terms of ease of reporting, access to information and overall oversight is already becoming apparent. However, it must be acknowledged that despite the hard work of everyone concerned, the implementation of this system has taken longer than anticipated and has consumed significant resources from the finance department in terms of staff time.
- The program for governance reform adopted at Conference 2021 included the installation of a full Connexion wide planning and budgeting system. Due to pressures arising from the Covid pandemic, from the rollout of the new accounting system and from a number of staffing issues within the finance department, it was not possible to fully implement the new budgeting process. This will be rectified in coming months, and we expect to be able to report on the results of the new processes at Conference 2023.
- The finance department is not over-resourced in terms of staff numbers so any absences due to ill-health etc., had a significant impact.
- In March of this year our Chief Financial Officer, Ms Gillian Laney, left us to pursue her career in other areas. We wish to record our thanks to Gillian for all the hard work that she did for MCI while with us and to wish her every success in her future career. Since

then, the finance department has been remodelled and a new position of Head of Finance has been created. Ms. Nicola Robinson was appointed to that role and is due to take up her position in June.

The result of all of the above was that, despite trojan efforts on the part of the finance team staff with many, many hours of overtime worked, it has not been possible to complete the audit of the Connexional accounts in time for presentation to this conference. It is now anticipated that the accounts will be finalised by October 2022, in time to meet all statutory reporting deadlines. This, in fact, was the position in most previous years but we had hoped to improve on it this year. The finance team and the Governance Board are therefore disappointed that Conference will not receive a full set of accounts this year. It is expected that when the new systems are fully in place financial reporting will become more accurate and timelier in 2023.

Despite the absence of audited accounts, the Governance Board has been diligent in obtaining ongoing information and assurances from the finance department on a monthly basis. We can therefore report the following, with the caveat that these are based on unaudited information and are therefore subject to alteration on audit.

1. Spending on central Connexional departments is not expected to exceed budgeted levels in 2022.
2. The overall cash position of the church remains sound.
 - a. While detailed figures for all individual circuits and societies are not yet available the indications from those reports that we have received do not give cause for alarm.
 - b. The figure for central Connexional cash plus investments has grown from approximately £24m at the end of 2020 to approximately £27m at the end of 2021.
3. The stated reserves policy of the church is that we should always keep sufficient reserves, in the form of cash plus investments, to meet total expected expenditure for nine months. The above figures indicate that, based on central funds alone and without allowing for any locally held funds, which are significant, the church has sufficient cash and investments to meet a full 12 month total expenditure. The above figures therefore indicate that the church is operating within very acceptable limits of financial probity.
4. No reports of fraud or malpractice were received during the past year.

Appointment of Auditors

The Board are pleased to announce the re-appointment of Ernst and Young as auditors for the financial year ended 31st December 2022.

Charity Registration

In June 2021 Conference decided that MCI should pursue registration with the Charity Commission of Northern Ireland (CCNI) as one single charity. We can now confirm that the CCNI has approved our application and issued a charity registration number 108435. This single registration had a significant impact on our central administration, leading to an

increased workload in dealing with the registration process which was very detailed and in dealing with the ongoing requirement for substantial annual reporting and compliance work. The overall gain for us as a church, however, lies in the fact that individual societies are now relieved of this burden and will not have to shoulder the additional requirements for auditing, reporting and policy development and compliance which all charities now have to undertake. The work of completing our compliance with the requirements of the Charity Regulator in the Republic of Ireland is continuing but is dependent on responses from the Charity Regulator.

Covid 19

Over the course of the year the Governance Board was kept apprised of the response of the church to the Covid 19 pandemic. We wish to pay tribute to work done by the Covid Management Team (a sub-Committee of the Connexional Team) who did an outstanding job in guiding us through the many challenges arising from the pandemic.

Generally, as a church we responded well to the challenges of the Pandemic, responding quickly to moving worship online and to the pastoral needs within the Church and in the wider community. We are at the point now of assessing the long terms consequences and reflecting on what we have learnt. In some places the Pandemic accelerated decline, others saw numbers who were in contact with the church grow through online contact, and significant links beginning in local communities.

Many churches were creative in offering pastoral care and practical support to those most isolated despite the challenges of the Pandemic. With disrupted education and limited in person contact our young people and children felt the effects of this time very deeply. We are grateful to IMYC and to youth leaders in Circuits for the support they have unstintingly given to young people and to young people for their ongoing essential contribution to the life of this Church. Reflection on the pandemic will be the focus of the Irish Inter Church Meeting in the Autumn and as a church we will feed into and learn from that reflection.

COMPREHENSIVE ASSESSMENT

The Board considered a report from the Finance and Budget sub-committee on the level of Comprehensive Assessment for 2023 at its March meeting. The sub-committee found that, based on the returns from societies available at that time, circuits and societies are in a reasonably strong financial position and while some uncertainty remained, there was no longer a need to further reduce the Comprehensive Assessment for 2023. As a result, they recommended that the annual Comprehensive Assessment for 2023 should increase by 2% to £1,343,664. The governance Board adopted this recommendation. The Finance and Budget sub-committee will continue to keep this under review in the light of the extensive levels of uncertainty around future inflation levels. Full details of the individual Comprehensive Assessments are set out in the appendices to the Report.

STIPENDS, ALLOWANCES AND SALARIES

The handling of Stipends, Allowances and Salaries was passed from the Stipends and Allowances Board to the Finance and Budget sub-committee as part of the general reorganisation of governance structures. In December this committee brought proposals to the Governance Board for the period commencing January 2022. This was a departure from the usual practice of bringing proposals to Conference in June for the year commencing the following January, which in this case would have been January 2023. The sub-committee proposed the following

- in view of the significant increase in the cost of living currently being experienced across the island the church needed to respond immediately to offset the pressures on ministers and staff. Any increases adopted should therefore commence in January 2022 instead of January 2023.
- The rates of increase previously agreed by Conference 2021 for commencement in January 22 should remain in place but ministers in Northern Ireland should receive an additional 1% taxable Manse Expenses Allowance from January 2022, bringing it to 9% instead of 8% of top stipend.
- The allowances for Ministers based in the Irish Republic would remain the same because these were reimbursed as a percentage of actual costs incurred and so would be automatically compensated for the rise in the costs of living.
- All mileage, accommodation and other allowances would remain as agreed by Conference 2021.
- All lay employees would receive an additional 1% increase on the Conference 2021 approved rates from January 2022

Details of the levels of Stipends, Allowances and Salaries for 2022 are set out in the appendices.

The Board also discussed the overall level of salaries paid to employees within the church, noting that many employees were paid the minimum wage and not a living wage and that this did not reflect the ethos of our church or the value that we place on our employees.

The Governance Board also examined the current system for setting stipends, allowances and salaries and decided that it was no longer fit for purpose in that

- awards were made too far in advance and so did not always reflect current conditions.
- there was increasingly a disparity between payments in the different jurisdictions.
- The system had grown too cumbersome and complicated over the years.

Accordingly, a Working Party on Stipends, Allowances and Salaries was established under the chair of Mr. Paul Cummings. The Working Party will examine all matters pertaining to Stipends, Allowances and Salaries. It is expected that this working party will bring proposals to the Board before the end of January 2023 and that these will be reported to Conference in June 2023. Conference should be assured that any recommendations made by the Working party will take full account of the pressures on local circuits and societies and will be introduced on a phased basis and in such a manner as to allow circuits and societies sufficient time to adjust their plans and budgets if necessary.

ALTERNATING MINISTRY SCHEME

For some years, the Methodist Church in Ireland and the Presbyterian Church in Ireland have been successfully operating an Alternating Ministry Scheme. Unfortunately, and to everyone's deep regret, the laws relating to the administration of charities have made such schemes unviable. At separate meetings on 27 May 2021, the General Council of the Presbyterian Church in Ireland (PCI) and the General Committee of Methodist Church in Ireland (MCI), considered a detailed report from the Mission Partnership Forum (MPF). The key conclusion in the MPF's report was that, sadly the only practical way forward was for the remaining Alternating Ministry Scheme congregations to revert to denominational ownership and governance of one or other of PCI or MCI, and that the Alternating Ministry Scheme draw to a close. It was recommended that

- The congregation of Christ Church Limerick become a congregation of MCI
- The congregation of the United Church Galway become a congregation of the PCI
- The congregation of Christ Church Sandymount become a congregation of the MCI

Each of the above congregations were fully consulted in arriving at and preparing for the above. From 1st May 2022 all members of the united congregations were deemed to become a member of the denomination under whose authority that congregation now sits. An equitable distribution of the related property holdings was also put in place. This report and its resolutions were considered separately by the Governance Board and the General Council of the Presbyterian Church in April 2022 and formally adopted. All the recommendations came into effect on the 1st of May 2022.

The Governance Board noted with sadness the ending of the above schemes and recommitted the MCI to the support of the congregations involved. The Mission Partnership Forum will continue to exist so that appropriate ongoing opportunities for partnership in mission can be explored.

STATUTORY TRUSTEES REPORT

The Statutory trustees presented their annual report to the Governance Board in April 2022, and the report was adopted by the Governance Board.

In summary the Statutory Trustees reported that

- As a result of the recent Governance changes the Statutory Trustees no longer act as employers within MCI.
- Conference 2021 approved a governance review which imposed a limit of ten years on the service of Statutory Trustees. As a result, 5 Trustees who have served this Church faithfully and with tremendous wisdom now come to retire. This Connexion owes a deep debt of gratitude to Revs Edmund Mawhinney, David Mullan, Robin Roddie and Mr Stanley Graham and Albert Sherrard. Between them these Trustees have 158 years' service as Trustees. The depth of commitment to which this point is astounding, the church has been well served by these our brothers.
- Ms Lynne Paisley also resigned during the year and Trustees record their thanks to her for her contributions. Mr. Tony O'Connor also resigned because of a perceived conflict of interest between his role on the Governance Board and that of a Statutory Trustee.

- A revised investment policy document was adopted by the Trustees and the Governance Board. Among its provisions was a renewed emphasis on the need for Ethical Investments.
- The Trustees' investments are held with Epworth Investment Management Limited. Epworth Investment Management reported to the Trustees at its meeting in November 2021; a summary is below.
 - Fixed Interest Fund
The investment parameters for this fund are: Sovereign Bonds 40-60%: Corporate Bonds 40-60%: Cash 0-10%. There was a return of -4.9% over the year, less than the benchmark index of -3.9%.
 - Equity Fund
The investment parameters for this fund are UK Equities 55%-75%, Global Equities 25-45%, Cash 0-10%. The total return of the fund was 25.5%, less than the Epworth proprietary ethical approach benchmark of 26.1%
 - Managed fund
The investment parameters for this fund are Equities 60-80%, Fixed interest 5-25%, Commercial Property 0-20%, Alternative Assets 0-10%, Cash 0-10%. The total return of the fund of 18.9% over the year was more than of the Epworth proprietary ethical approach benchmark of 18.7%.

SAFEGUARDING

The Connexional Safeguarding Board (CSB) was appointed by Conference 2020 and has been actively working in this area alongside the Connexional Safeguarding Officer, Mr. Nicky Blair. Their report, which has been adopted by the Governance Board, is included in full in the appendices. The major points of their report are as follows: -

- Mr. Lindsey Conway OBE has been appointed Chair of the CSB. Training for Youth and Children's leaders continued throughout the year.
- Re-vetting protocols demand that all leaders now be re-vetted every three years and this work has largely been shouldered by IMYC
- In conjunction with the Ministries Team, the CSB has offered training to churches in the Safe Place initiative.
- In conjunction with the ministries team and with MWI, CSB collaborated in the development of resource material in support of the Domestic Violence initiative.

Past Cases Review

Dr. Deborah Webster (Chair) and Rev. Dr. Stephen Skuce (Vice-Chair) have made considerable progress in this area and have already introduced some procedural improvements as a result. An interim report was presented to the Governance Board and a final report is anticipated to be put before Conference 2023.

POLICY REVIEWS

Policies Adopted

All well run organisations, including churches, should have specified and documented policies in a number of areas. As well as being a requirement for good governance, i.e., something that we should have because it is a mark of a well church, this is now a legally requirement for all major charities, of which we are one.

In some cases, these policies already exist but the Board has not yet had time to examine them. In others we are following the correct procedures on the ground, but we have yet to detail them formally in a written policy. Unfortunately, in some other cases, none of this applies and we will have to develop the policies from scratch.

As a result, the Board has initiated a total review of all the policies of the Church across a wide range of areas. This review will take some time to complete. Over the course of our first year the Board has examined and adopted the following policies for use across the Connexion.

1. Board Policy Manual (as outlined above)
2. Domestic Violence: This policy examines the issue of domestic violence and topics include
 - a. A definition of Domestic Violence
 - b. Our beliefs
 - c. Our Response
 - d. Resources and Contact details

3. Safeguarding

Two significant updated policies were discussed and adopted by the Board during the year. They were: -

- A. Taking Care – Childcare.
- B. Taking Care of All – Adult

The Safeguarding Board continues to prioritise work in this area.

4. Conflict of Interest Policy for Boards

This policy examines how we deal with conflicts of interest at Board level. Topics include

- a. Types of Conflict of Interest
- b. How to deal with conflicts as they arise
- c. The establishment of a conflict register for Board members

5. Conflict of Interest Policy for General Use

This policy mirrors the above policy but is intended for committees, circuit executives and church councils and is much less onerous in its requirements. This policy will be rolled out to the Connexion over the course of the coming Connexional year.

6. Risk Management Policy

This policy sets out the church's attitude to risk and the processes for dealing with risk, including the establishment of a comprehensive Risk Register. Topics dealt with include

- a. The risk appetite of the church in different areas.
- b. The responsibilities for managing risk.
- c. The procedures for risk management.
- d. The establishment and maintenance of a risk register
- e. The ongoing monitoring, review, and reporting of risk

7. Investment Policy

This policy sets out the investment policy to be pursued by the Statutory Trustees and other bodies making investments on behalf of the church. It covers such topics as

- a. Who has power to make investments?
- b. The responsibilities of Trustees
- c. Our investment objectives
- d. The various types of investment open to us
- e. Our risk appetite for and the risk associated with different investment types

- f. Our reserves policy and the implications for investment levels
 - g. Issues of Ethical Investment
 - h. The appointment and review of Investment advisors
8. Reserves Policy
- The Reserves Policy sets out MCI's policy on the level of reserves that it is prudent for us as a Connexion to keep, given our expected expenditure levels. It details the following
- a. The accepted norms for the keeping of reserves by a church. This is usually set six to nine months of total current expenditure
 - b. The types of assets to be included in our reserves.
 - c. The level of reserves that we in MCI should hold. This has been set at 9 months. This is an increase on the previously stated level of reserves applied by the Statutory Trustees which was six months.

It is recognised by the Board that in many cases, at both local and national level, reserves are currently held at levels that in some cases far exceed nine months. This has raised the question of whether we as a Connexion are utilising our resources wisely. A working party will therefore be set up to examine the implications of this reserves policy and the overall utilisation of our assets at all levels of the MCI.

9. Policies from the Ministries Team

The Ministries Team (Formally known as the Board of Ministry, Learning and Development) has been highly active in this area. The following policies have been reviewed and formally adopted by the Governance Board.

- Local Preachers' Nomination, Appointment and Review Policy
- Ordained Ministers Applications to Serve and Transfer
- Ordained Ministry Context Based Formation Protocols
- Ordained Ministers Retirement Policy
- Ordained Ministers Sabbaticals Policy

Other policies will be presented to the Ministerial session of Conference 2022 for consideration before coming to the Board for formal approval

All the above policies can be viewed at MCI>Policies and Procedures

The list of required formal policies is long and so more work needs to be done in this area. Most of the required policies are already in operation within the church but they have yet to be formally examined and approved by the Board. This approval work will continue over the coming year.

PROPERTY RELATED ISSUES

Working Party on Property

In September of last year, the Board examined the area of property development and management within the Church. We found that there appeared to be a multiplicity of agencies involved including circuits and societies, the Home Mission Department, the Property Board, the Church Development Board, and the Estate Management department. Some of these reported confusion around their role vis-a-vis other departments or committees and in general there appeared to be a measure of overlapping roles and authorities which made the

management and development of property within the church more complex than was ideal. In particular, the enhanced roles of the District Superintendents and the Connexional Team was not reflected in current procedures. Accordingly, a working party was established under the chair of Mr. Doug Edmondson to examine all aspects of property development and management within the church.

This Working Party Reported to the Board in April and the following recommendations were accepted by the Board. An implementation group has now been formed with a view to implementing these recommendations by the end of December 2022.

Summary of Working Party Recommendations

1. The Drafting of a comprehensive Property Strategy as part of the existing Mission strategy of the Church.
2. All purchase and sale decisions in relation to Investment-led properties to be approved by the Governance Board
3. The financing of all significant purchase and sale decisions relating to mission led properties to be approved by the Governance Board.
4. The responsibility for the upkeep and investment/divestment in Manses to pass from the Home Mission Department to the Estates Department, in consultation with the District Superintendents.
5. The advent of the Connexional Team and District Superintendents has impacted significantly on the role of the Church Development Board to the extent that the work of the CDB is no longer required. The CDB will therefore be disbanded over the course of the Year. The place of the Chair of the CDB on the Connexional Team will be taken up by the Chair of the Property Board.
6. The Property Board will be re-constituted to become a technical Board offering advice on design and other technical issues. The Property Board will become a smaller Board with approximately ten members consisting mostly of those with technically relevant skills.
7. The decisions on grant aid, loans etc, will pass from the Property Board to the Connexional Team, working within an annual defined property budget.
8. Local Trustees holding property on behalf of MCI should transfer title to the Statutory Trustees within 3 to 5 years.
9. The existing serious shortfall in property returns from circuits and societies needs to be addressed in order that a comprehensive database of property related issues can be completed.
10. A set of standards or criteria for mission led properties should be developed, with due regard to the particular needs of mission projects

Property Board Report

The Property Board was a party to the deliberations of the Working Party on property as outline above and is fully supportive of its recommendations. The Property Board has made a full report on its activities and this report has been received and endorsed by the Governance Board and is set out in full in the appendices. The most important points raised were as follows:

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- The new application process that was launched in 2020 is bedding in and becoming more efficient.
- The visitation programme, which stalled during the pandemic, is to be re-launched in the coming months in conjunction with the Estates Manager who will take the lead in this initiative.
- Circuits are reminded that it is imperative to seek and gain approval before any work is started on a project.
- The Property Board once again expresses its thanks for the on-going support provided by the Joseph Rank Trust and wishes to remind circuits and societies that it is an important aspect of this support that at least Agreement in Principle is in place from the Property Board for any scheme that will be subject to an application to the Trust.
- The continued failure of circuits and societies to submit property returns is causing serious difficulties for the Property Board and the Estates Department. Only 40% of societies have made returns (42% in 2021). The Property Board appeals to Societies to contact the Estates Manager if they are having difficulty in completing returns for any reason.

Mr. Keith Irvine, Chair of the Property Board and formally Treasurer of the Board, is stepping down from his role after six years of faithful and dedicated service. The Governance Board wishes to thank Keith for his years of service and dedication to the work of the Board.

Church Development Board

The CDB has played a significant role in the past, but its role has largely been overtaken by the advent of the Connexional Team and the District Superintendents. In the light of the changes outlined above in the area of property management the Governance Board will therefore bring a resolution that the CDB ceases to operate and that its functions be transferred to the Connexional team. The Governance Board wishes to record its thanks to the members of the CDB now and in the past for their hard work, dedication and their modelling of the mission focussed cooperation which is now embodied in the Connexional Team.

CONNEXIONAL TEAM REPORT

The Governance Board has received and considered reports from the Connexional Team and all its component parts and fully endorses all that it has heard.

Mission Related Strategy

As has been noted, as a Connexion we have adopted the vision statement 'living Wholeheartedly as followers of Jesus for the Transformation of the world'. The Connexional Team has responsibility for the oversight of how we, as a people, under God, implement that statement. Throughout the conference we will be resourced and encouraged as we continue this emphasis in our local contexts.

The Governance Board has the responsibility for the development, implementation and regular review of strategy for the pursuit of the vision for the Church, as set out by Conference. In practice the Governance Board delegates this task to the General Secretary and the Connexional Team. The Board has reviewed the process and results of the

Connexional Team's development of its missional strategy and is satisfied that this work is on-going and progressing well. Significant work has been completed by the Connexional Team and, as a result, a number of strategic themes have emerged, i.e., Mission, Discipleship, Leadership. These elements are outlined further in the report from the Connexional Team. Work is ongoing on operationalising these themes at circuit and society level and on setting out their effect on the resources and operations of all support departments. Work is also commencing on the development of an associated property management strategy in line with the recommendations of the Working Party on Property.

The Governance Board approved and commended a paper from the Connexional Team on larger Circuits. Guided by their District Superintendents, Circuits are asked to actively look at ways in which they can partner with others.

BOARD AND COMMITTEE REPORTS

In prior years all Boards and Committees reported directly to Conference. Under the new Governance procedures, it is the duty of the Governance Board to receive and consider such reports and this it has done.

The Governance Board has accepted the recommendations and nominations of the various committees and commends them for their work.

The reports of the following Boards and committees have been examined. All of these reports can be found in the book of Reports after the Conference Agenda.

Property Board	Statutory Trustees
Northern Executive of the Brd' of Education	Prison and Healthcare Society
Methodist Historical Society	Ministry of Healing
Eastwell Residential Home	Connexional Safeguarding Board
Methodist College Belfast	Covenant Council
Inter-Church Relations Committee	Dublin Central Mission
The Connexional Team	Northwest Methodist Mission
Irish Methodist Youth and Children	Belfast Central Mission
Methodist Child Care Society	East Belfast Mission
World Development and Relief	Newtownabbey Methodist Mission
World Mission Partnership	Gurteen College
Church Development Board	Wesley College
Methodist Home Mission	Irish Methodist Ministers Retirement Fund
Methodist Women In Ireland	Methodist Minister's Children's Fund
Ministries Team	Methodist Minister's Medical Fund

In deference to the aims of good governance it was noted that in a number of cases committees and Boards reported terms of office of some members well in excess of ten years. While it is appreciated that such members have given, and continue to give, sterling service it is nonetheless not considered to be good practice for committee or Board members to remain in place for extended periods of time. The Governance Board has therefore requested all committees to examine their membership with a view to putting place an appropriate membership renewal program.

It is not possible to outline all the work of the many committees in this report and many of the committee's work is in any case included in detail in the presentations of the Connexional Team. The Governance Board wishes to express its appreciation for the work done by all members of the above bodies. All the committee reports are included in detail in the appendices.

GOVERNANCE BOARD MEMBERSHIP.

Under the terms of her appointment the outgoing Lay Leader, Ms Hazel Loney, steps down from the Board when her term of office expires at Conference 2022. The Board wishes to thank Hazel for her excellent contribution to the Board's work over the course of the last year and to wish her well in the future.

The Board would also like to express its thanks to the outgoing ex-President, The Rev. Dr. Tom McKnight, who likewise is stepping down from the Board. Although Tom was on leave of absence from the Board for the duration of his tenure, he nonetheless was fully supportive of its work and his absence was regretted.

Under the terms of reference for the Governance Board a nominations committee should be set up in January of each year to bring nominees to Conference for election to the Board as replacements for unfulfilled places or for retiring members. This is to ensure that good governance issues around the rotation of Board membership are fulfilled. Because this is only the first year of the Board's operations no resignations or vacancies requiring nominations have arisen. It was therefore decided not to appoint a nominations committee for this Conference. A nominations committee will be appointed for Conference 2023.

REFLECTIONS OF THE CHAIR

The following are some personal reflections on some of the underlying issues facing our church at this time, reflected in the issues that have come before us. Over the past year, we as a Board have tried to apply the principles of good governance to the MCI. We have been aware of the governance needs of an organisation such as ours and the demands placed on us by society, by legislation, and in particular by charity legislation. However, we have also always been aware that while we are indeed an organisation, and while we are indeed a large charity, we first and foremost are a church, a body of people dedicated to fulfilling God's plan for the people of this island and to living wholeheartedly to that end.

In that context, the first thing that has become evident is the sheer complexity of the organisation that is the Methodist Church in Ireland. This is reflected in the extraordinary level of work done by the so-called central or Connexional elements of the church. This work largely goes on behind the scenes and is often not fully appreciated by those working in our circuits or societies. I think, for instance, of the trojan work done by our General Secretary, Heather Morris, and her team in guiding all of us through the pandemic while ensuring that the day-to-day management of the church continued unabated. I think of the other teams; the finance department, the IMYC, The Ministries Team and the Connexional Team, to name but a few. All of these have continued to produce incredible amounts of work and resources for the church, while operating at the barest minimum in terms of staffing and resources. Indeed, the under-resourcing of these areas has been a constant challenge and is one that we as a church will

have to face up to sooner rather than later. We owe them all our deepest thanks because without them our church would gradually grind to halt.

We are also deeply aware of the work which so many members of the Church do, faithful local members and those who serve on Connexional Boards and Committees. All of whom give generously of their time, energy and talents to serve God through this Church. As a Governance Board we have been asked to thank many who are stepping aside from Connexional roles, and we do that gladly as expressed in the resolutions which follow this report. Alongside those thanks we express appreciation to all members who serve their Lord through this part of Gods church faithfully day by day.

The second thing that comes to mind is the growing awareness of the Board that the future success of our church lies in our fully taking on all that is entailed in the notion of Connexion. Connexion is a core value for MCI, and it can also be a core strength, if it is fully embraced. The nature of our church is changing as is the world that we inhabit. We are experiencing a resurgence of the necessity to be a mission led, outward facing, church. This is reflected in our vision that we should be “living wholeheartedly as followers of Jesus for the transformation of the world”. We are doing this in the context of overall falling numbers and in the realisation that we must find new forms of mission and new ways of reaching the people of Ireland. Our ministers and lay workers are under ever increasing pressures to change and to adopt. This is not easy and the challenge we face is great. From the “helicopter viewpoint” of the governance Board it is so evident that to succeed we must move from a theoretical acceptance of Connexion to a full practical acceptance and working out of Connexion. This will involve more and more sharing of ideas, more and more working together across societies, and more and more sharing of both burdens and resources across the Connexion.

The good news, from the perspective of the Governance Board, is that both as a church and as Methodist people we are willing to meet that challenge. We are embracing change, probably on a scale that is unprecedented in our church. We are working together. In many places we are willing to take risks. We are doing our utmost to live wholeheartedly as followers of Jesus for the transformation of the world. The Governance Board is eager to do our part in helping the church to grow and flourish in these challenging times. With God’s help we will do just that.

APPENDICES

Appendix 1

Comprehensive Assessment Lists

Appendix 2

Stipends and Allowances info

AGENDA

1. Conference receives the Report
2. The Conference records its thanks to the people listed below and asks that the tributes in the individual Reports be printed in the Minutes of Conference.

Keith Irvine (Property Board)
Thomas Clarke (Church Development Board)
David Twyble (Church Development Board)
Joan Strong (MWI)
Leanne Hill (IMYC)
Amy Anderson (IMYC)
Gillian Laney (CFO)
Barry Forge (Belfast Chaplaincy)
Mervyn Ewing (Local Preachers)
Liz Curry (Visitation Secretary)

Nominations

3. The Conference appoints Tony O'Connor as Chair of the Governance Board
4. The Conference appoints the Governance Board as follows:

The President, the Lay leader, the General Secretary, The Ex-President, the President - Designate, the Chair of the Standing Committee of the Trustees, Harold Agnew, David Campton, Paul Cummings, David Best, John Clarke, Laura Griffith, Gillian Kingston, Nigel Mackey, Tony O'Connor (Chair).

Resolution on online meetings

5. Conference permits online meetings at Society, Circuit, District and Conference levels, and directs that they be properly constituted as per the regulations for in-person meetings as set out in the Manual of Laws, and be recognised as having equal status

Connexional Team

6. The Conference gives permission to the Governance Board to approve or otherwise any necessary changes to the membership of the Connexional Team which arise due to Review of the work of the Team, during the 2022/23 Connexional year.

Change to the process whereby Changes can be made to the Manual of Laws:

7. The Conference approves the following change to the Manual of Laws:

7.35 Business shall be presented to the Conference in one of the following forms:

A Memorial, which is a request for action to be taken by the Conference, presented by a District Synod, a Circuit Executive, a member or members of the Methodist Church in Ireland and submitted to the Secretary of the Conference prior to the date of the Spring Meeting of the Governance Board, or by two members of the Conference when it is in session, submitted to the Secretary of the Conference not later than the time stated in the Conference Agenda;

A Resolution, which is a statement recommending an action by the Conference, presented by a Committee of the Conference and printed in the Conference Agenda.

A Notice of Motion, which sets out, one year in advance, a proposed amendment to the Constitution of the Church ~~or its Courts or its Connexional Committees~~, and is printed in the Conference Agenda.

The Church Development Board

8. The Conference expresses thanks for the work of the Church Development Board over the years and, while receiving the following Notice of Motion to the Conference of 2023, directs it ceases from 1st July 2022., and that pending the Conference discussion of the substantive motion in 2023 that any areas of the CDB's responsibility, not already encompassed by the Connexional Team be transferred to its oversight.
9. The Conference receives the following Notice of Motion to the Conference of 2023:

Ordinary Expenditure 15.09

District Superintendents shall inquire into the needs of those Circuits applying for grants from the Department and shall recommend to the Department the amount considered needful in each case for the ensuing year. Such applications shall be examined by the ~~Church Development Board~~ Connexional Team and the applications and the recommendations or decisions of the ~~Church Development Board~~ Connexional Team shall be reported to the General Committee and included in the Minutes of the Committee.

15.15 Grants within the limit set by the Governance Board may be approved by the Treasurers of the Home Mission Department in consultation with the ~~Officers of the Church Development Board.~~ Connexional Team.

15.37 Application for Mission Ireland grants shall be processed by the District Superintendents who shall carefully examine such applications for assistance and shall recommend to the Department the amount considered needful in each case for the ensuing Connexional year. Such applications shall be examined by the ~~Church Development Board~~ Connexional Team and the recommendations or decisions of the ~~Church Development Board~~ Connexional Team shall be reported to the Governance Board and included in the Minutes of the Meeting. Projects employing lay workers shall only be considered if operating under legislation of the Employment Advisory Group.

Delete Chapter 16

~~27.03 The Property Board Development Account is provided and maintained to encourage and assist in the purchase, erection or rental of buildings in areas where facilities for worship and witness do not exist, or are deemed to be inadequate, due to growth.~~

~~(a) Applications for Church Development status shall be dealt with by the Church Council, the Circuit Executive and the Church Development Board.~~

~~(b) When the Church Development Board gives approval for Church Development status, the General Secretary of the Home Mission Department shall so inform the Secretary of the Property Board and the Superintendent of the Circuit through whom applications for grants and loans shall be submitted.~~

7.59 The Property Board Mission Development Account (formally the Property Board Development Account) is provided and maintained to encourage and assist in the purchase, erection or rental of buildings in areas where facilities for worship and witness do not exist, demand development due to missional potential or are deemed to be inadequate, due to growth. Applications to the Fund are assessed by the Connexional Team. Any application in excess of a level determined annually by the Governance Board shall be brought to the Governance Board prior to approval being granted. Applications should be made to the Connexional Team through the District Superintendent.

37.01 The Governance Board shall appoint a Prison and Healthcare Chaplaincy Committee, which shall report through the ~~Church Development Board~~ Connexional Team.

Conference Membership

10. The Conference directs the Governance Board to review the membership of the Conference and bring proposals to the Conference of 2023.

In the interim

11. The Conference, having received a Notice of Motion from Conference 2021, hereby amends the Manual of Laws as follows, with such amendments taking effect from 1st July 2022
12. In the light of significant changes to Circuit boundaries and the review of Conference membership, Conference directs that the allocation for Conference 2023 be made on the basis of the Circuit boundaries in place for Conference 2022.

The Representative Session 7.03

As provided in the Constitution VI. (2) (b), "The Conference in its Representative Session consists of the President of the British Conference and the representatives appointed by that Conference, together with not less than 100, nor more than 150 ministers, and an equal number of lay members, elected or appointed in accordance with the rules and regulations of the Conference."

7.04 The ministers shall consist of:

(d) Lay representatives nominated by Circuits Executives, as provided for in paragraph 7.07 ~~8~~

(n) ~~The Secretary of the Ordained Ministry Committee,~~ Chair of the Ministries Policies and Procedures Committee'

(q) ~~The Precentor of the Conference,~~ The Conference Director of Music,

7.05 The lay members shall consist of:

(e) Three Youth Representatives, who shall not exceed ~~twenty-five~~ twenty eight years of age at the time of her/his selection, from each District, selected by the District Superintendent in consultation with the Irish Methodist Youth and Children's ~~Department.~~ Team.

(f) Lay Representatives to be elected by the Committees of the following Funds and Institutions from among their own members, ~~after the elections have taken place in the Synods,~~ one each by

World Mission Partnership
Methodist Youth and Children's ~~Department~~ Team
Council on Social Responsibility
Stipends and Allowances Board
Statutory Trustees
Local Preachers' Committee
World Development and Relief
Wesley College, Dublin

Methodist College, Belfast
~~Edgehill College, Belfast~~ The Ministries Team
Gurteen College

two by
Methodist Women in Ireland

(j) Three representatives nominated by the Pioneer Mission Team **Conference Membership**

CHANGES TO THE MANUAL OF LAWS

1. The Ministries Team

Conference approves the following changes to the Manual of Laws

CHAPTER 6

LOCAL PREACHERS

6A Local Preachers

6A.01 A Local Preacher is a member of the Church, recognised as qualified and called to preach the Gospel, though not “separated” from her/his ordinary business.

6A.02 A Committee shall be appointed annually by the Governance Board. It shall ensure that proper processes and procedures are followed in relation to training, accreditation and development of Local Preachers.

It shall be constituted as follows:

The Lay Leader of the Conference,

~~The Ministerial and Lay Secretaries of the Committee,~~

The Connexional Local Preachers’ Co-ordinator.

A member of the staff of the Ministries Team

The District Secretaries Co-ordinators for Local Preachers.

6A.03 Each District shall have a forum open to all Local Preachers, both accredited and in training. The purpose of the forum is to facilitate prayer and support for this ministry, organise training and development opportunities, and to gather information to feed back to the Connexional Committee and to Board of Ministry the Ministries Learning and Development Committee.

6A.04 Regulations regarding nomination, ~~and appointment~~ and review of Local Preachers are set out in protocols prepared by the ~~Connexional Local Preachers Committee~~ Ministries Policies and Procedures Committee in consultation with the Connexional Local Preachers’ Committee, approved by the Governance Board and reported to Conference. Any amendments to the protocols shall be approved by the Governance Board and reported to Conference.

6A.05 Each Local Preacher is required to:

- (a) attend ~~frequently~~ fellowship meetings of the Church and the Lord's Supper.
- (b) affirm annually that he/she continues to believe and preach our doctrines and to observe the discipline of the Church.

At the District Ministerial Synod, Circuit Superintendents shall be asked to confirm that the Local Preachers on their Circuits have affirmed that they continue to believe and preach our doctrines and observe the discipline of the Methodist Church in Ireland and that this has been noted by the March Circuit Executive.

6A.06 Each Local Preacher who has not retired is required to:

- (a) commit to 15 hours of further learning or training per year.
- (b) undergo a Review every 10 years and take part in the annual and ten-yearly review process.

~~District Secretaries~~ District Local Preachers' Co-ordinators

6A.14 The District Superintendent, in consultation with the District Advisory Committee, shall appoint a Local Preacher as ~~District Secretary~~ District Local Preachers' Co-ordinator, who shall collect information concerning the work of Local Preachers on the District. ~~District Secretaries~~ District Co-ordinators for Local Preachers shall keep a list of all Local Preachers on their Districts. ~~They shall be responsible for arranging the appointments on the District for Local Preachers' Sunday.~~

6A.15 ~~District Local Preachers' Secretaries~~ District Local Preachers' Co-ordinators shall forward their reports to the ~~Lay Secretary of the Local Preachers' Committee~~ Connexional Local Preachers' Co-ordinator.

6A.16 The statistical returns shall show as active Local Preachers all those who are able and willing to take appointments.

6A.17 ~~Local Preachers' Sunday, on which as far as possible worship shall be led by Local Preachers.~~ The third Sunday in September shall be recognised as the Sunday designated for Celebration and Affirmation of the ministry of Local Preachers. A Circuit service of Celebration and Affirmation shall be arranged on each Circuit. The order and form of this service should follow the guidance provided by the Connexional Committee.

6A.18 The District Superintendent shall facilitate the 10-year Review Process for all Local Preachers, as defined in the ~~'Regulations and Guidelines for Local Preachers' published annually in the Minutes of Conference~~ 'Policy and Procedures relating to the Nomination, Appointment and Review of Local Preachers' published on the MCI Teams Application. The role of the District Superintendent is to facilitate the process of Review by providing support and guidance to Local Preachers and, in conjunction with the District Local Preachers' ~~Secretary~~ Co-ordinator, to ensure that reviews are undertaken and completed within the required timeframe.

Ministries Policies and Procedures Committee

6A.19 The Ministries Policies and Procedures Committee as set out in Chapter 4 of the Manual of Laws is responsible for the drafting of new and reviewing of existing policies

relating to Local Preachers. Each policy sets out key features and responsibilities. Amendments shall be agreed by the Governance Board of the Methodist Church in Ireland and reported to the Conference. The following policy and procedures is currently in operation:

- Nomination, and Appointment and Review of Local Preachers ~~including the course of training.~~
- ~~Local Preachers Annual Review Policy~~

Irish Methodist World Development and Relief

The Conference approves the following amendments to the Manual of Laws:

19.01 The Governance Board, on the advice of the Connexional Team shall annually appoint a Committee on World Development and Relief, ~~to promote throughout the Church the study of the problem of world poverty.~~ to support the Church in learning about, understanding and responding effectively to world poverty and injustice for the transformation of the world.

19.03 The Committee shall administer a fund for World Development & Relief. It shall receive such a percentage of the annual Connexional Comprehensive Assessment as may from time to time be determined by the Governance Board.

It shall work ~~through and in closest~~ consultation with World Mission Partnership ~~and the Methodist Relief and Development Fund~~, and shall report to the Governance Board each year on its allocations of all sums received.

19.04 ~~A Secretary for World Development and Relief shall be appointed in each Circuit or Society.~~

World Mission Partnership

The Conference approves the following changes to the Manual of Laws

17.06 The Governance Board, on the advice of the Connexional Team shall appoint annually a World Mission Partnership Committee, consisting of the World Mission Partnership officers, the World Mission Secretary of Methodist Women in Ireland, a representative appointed by the World Development and Relief Committee together with one additional minister and ~~three~~ four additional laypersons, of whom at least two shall be women. World Mission Partnership staff shall also attend, as required.

The Church of Ireland and Methodist Chaplaincy Belfast

Delete existing 15.31- 15.35 and replace with:

15.31 The Church of Ireland and Methodist Chaplaincy Belfast is a charitable limited company, registered with both Companies House NI (June 2021) and the Charities Commission NI (Jan 2022).

15.32 The charitable company seeks to advance the christian faith amongst third level education University and College campuses in Belfast in accordance with the principles and practices of the Church of Ireland and the Methodist Church in Ireland.

15.33 The charity is established to take over the responsibilities of the Belfast University Chaplaincy Committee (and all such committees and structures as designated by the Church of Ireland). As such the charity is eligible to apply for any necessary Home Mission grants to fund its work.

15.34 The two denominations are the Member Organisations, with each denomination having absolute discretion to appoint three Authorised Representatives to attend the Annual General Meeting on behalf of the Member Organisation. Ordinarily this will be the Secretary of Conference, the North Eastern District Superintendent, and the South Belfast Circuit Superintendent. If one of these cannot attend the Secretary of Conference may approve a suitable alternative.

15.35 A Board of Directors / Charity Trustees is comprised as follows:

- a) Up to 3 Charity Trustees appointed by the Methodist Church
- b) up to 3 Charity Trustees appointed by the Church of Ireland
- c) The denominational chaplains appointed by the denominations in Belfast (ordinarily the chaplains at Queen's University & Stranmillis College, and Ulster University)
- d) Up to 6 Charity Trustees who are worshipping members attending a chaplaincy community
- e) Up to 2 external Charity Trustees (appointed by virtue of experience, skill or expertise)

The total number of Charity Trustees of (d) and (e) shall not exceed a total number that is more than one less than the total number of trustees of (a), (b) and (c)

15.36 Persons appointed for work amongst students shall be nominated each year by the Conference to the various institutions.

15.37 The Board of Trustees shall meet regularly with a General Meeting at least once a year with subsequent report to the Connexional Team

**The Conference notes the following changes to circuit boundaries
From 1st July 2022**

- (I) the current two Circuits of Woodvale, Shankill and Glencairn and north Belfast (Jennymount and Joanmount) are realigned into one Circuit called 'Belfast North'.
- (II) The current 5 Circuits that comprise the nine Societies of Sydenham, Knock, Dundonald, Braniel, Glenburn, Cregagh, Mountpottinger and Bloomfield are realigned into one Circuit called 'Belfast East'.