

The Governance Board

Meeting 021: 23rd November on Teams

MINUTES

Present:		Apologies
Mr Tony O'Connor (Chair)	Ms Jackie Wright	Rev David Turtle (in part)
General Secretary: Rev Dr Heather Morris (Convener)	Rev David Nixon	Rev Nigel Mackey
Mr Tom Wilson	Mr Paul Cummings	Mr Tom Millar
Rev Harold Agnew	Ms Gillian Kingston	Mr David Best
Mr John Clarke		
Rev John Alderdice		
Rev Richard Rowe		

In attendance:

Ms Clíodhna Smyth (Secretary to the Board)

In attendance via Teams to present particular items of business:

Ms Nicola Robinson (Head of Finance) – Item 9

Mr Nicky Blair (Safeguarding officer) – Item 10

1. Welcome and Apologies

All were welcomed to the meeting and apologies were noted.

2. Opening Prayers

Rev John Alderdice opened the meeting in prayer from Colossians 1. The Board expressed its condolences to David Best on the death of his mother.

3. Minutes of the last meeting and matters arising

The Minutes were agreed and there were no matters arising not covered by the agenda.

4. Conflicts of Interest

Chairman Tony O'Connor for DCM and Rev John Alderdice for Ballynafeigh (both item 8e).

5. Past Decisions – Implementation

- CCNI religious designation: This is dealt with in item 7.
- List of local trusteeships – This will come in March 2024
- Southern Board of Education appoint new members to Board – as the Rev Mackey is not at the meeting, no update is available. To be revisited in Dec 2023.
- Register of Policies – in hand will be completed by the Dec GB meeting and will list recommendations as to what will be on Teams versus the website.

6. PAC

The PAC met on 23rd October and there were no issues required to bring to the Governance Board.

7. General Secretary's Report

Dr Morris reported:

Property Processes Implementation of revised property processes: The General Secretary, Chair of the Property Board, Chair of the Statutory Trustees and the Estates Manager are meeting monthly to monitor progress on implementation. This group seeks permission from the GB for the establishment of an allocations committee. **Agreed**

Gift Aid update – for information – MCI worked with Charity Commission NI on this. Some churches and circuits have been using their old charity number, but now all gift aid applications will need to apply centrally through the MCI single charity number, as both HMRC and CCNI have confirmed this is a mandatory change. All circuits will now be charged 2% from 1st January 2024. Whilst this may seem

onerous, in practice the advantages of being a single charity far outweigh the disadvantages, and secondly the 2% does not entirely cover the cost of this service.

The point was made that a bigger issue is that Comprehensive Assessment doesn't cover overall costs but this is a bigger strategic issue which is currently being addressed.

The letter that was sent by the Head of Finance to Circuits was commended for its excellence and clarity. Two questions were raised

1. How does this affect the joint Covenantal churches?
2. Do statutory trustees have to be involved with Gift Aid? Whilst historically money went through the Trustees, from hereon in it could be administered by Finance. **Action: HM to investigate.**

Budget processes

A proposal was made that the Finance Committee would take on the role/responsibility of the Connexional budget working group. This is the 2nd year of the Connexional budget process and budgets have been submitted by the circuits which has been very helpful. The Connexional budget working Group is composed of stakeholders who don't have the financial acumen to scrutinise budgets and the proposal is that the responsibility will pass over to the Financial Committee.

This is being done outside of the Manual of Laws, which will have to change as a result but a rigorous process has been followed, with an added stage.

It was noted that another accountant/financial expertise is required for the Finance Committee and that its workload is significant.

Connexional Team proposals

Closure of societies

- a) Seymour Hill. Unanimously agreed by the Seymour Hill society and the CT.
- b) Mill Street – Unanimously agreed by the CE and CT. There are no property implications.

Tribute was paid to the amount of work that has gone into the shepherding and guiding the societies towards making a final decision in each of these Circuits.

A question was asked are learnings being taken from all these closures—Is there a process whereby they can be sent out, not just to the centre can they be sent out further to the circuits and societies so that all can learn from this. **Action: Home Mission team and the CT will follow this up.**

Merger of 4 societies in the Ballynafeigh circuit

The proposal was the merger of 4 societies in the Ballynafeigh circuit into 1 from 1st January 2024 as per the paper, already unanimously agreed by the CT.

Rev John Alderdice recused himself from the decision as there was a conflict of interest.

Ballynafeigh circuit is working hard to think about its best shape for Mission. The merger of the societies and the formation of one Church council was considered an imaginative proposal.

The challenge in these situations is having very difficult conversations and simultaneously making sure to keep moving things forward despite that. It is the creation of 1 society operating on 2 sites, and pragmatic reasons for it include the demographics and the numbers of people on the circuit. It is acknowledged that this is an interim step and if it does not work within 5 years the 2 sites will be merged into one. It was noted that this is not the reason Ministers go into the Ministry and is difficult for everyone involved.

The various societies were applauded for having those difficult and honest conversations.

A question was raised – is this happening more in the Northeastern district than elsewhere?

The response was that the same questions are being asked across the Connexion and all other Districts, it is not being avoided anywhere else, but different solutions are required for each different context.

It was noted that requests for closure will come more frequently to the GB – indeed all denominations are grappling with same issues of closures and considering amalgamations, and that what MCI can afford to maintain as a church is also a factor.

Chair – how will we put the word on this out to the wider Connexion – how to disseminate the information to the members? **Action: Heather Morris**

The Governance Board agreed to all the proposals.

Religious designation – Charity Commission of Northern Ireland

A question was asked by the Methodist Church in Ireland to the CCNI as to whether MCI had religious designation status. It took a while to get a response as staffing in the CCNI has changed, and they were checking to see if MCI could legally have this. The response from them was that MCI has received religious designation status.

The Governance Board agreed to accept this religious designation from the CCNI.

Resolutions from the CSR

Council of Social Responsibility: there are 2 resolutions/papers which are the responsibility of the GB to generate - as per the Minutes of Conference.

The first paper is about adopting a living wage in NI/ROI – the GB are to appoint a working group.

2 CSR reps will be included in the group as they know the reasoning and ethical dimensions of the issue.

Second – The GB is to establish a Working Group to look at the issue of reserves. This is already in progress – MCI now knows which funds and trusts are restricted.

The proposal is that the Working Group would begin once the Chair has completed his work on central services.

The Chairman is looking at Comprehensive Assessment and how central services are funded. This work can be done now as better financial information is coming from societies and circuits. There are many strands of information to be put together in order to create a complete financial picture – and this is expected to be reflected in a report by February 2024.

The CT expressed concern about use of Reserves.

The Governance Board agreed to establish the Working Groups to complete the CSR papers.

Administrative Items

8. Risk register

Tribute was paid to Cheryl Patterson for the amount of work that was done on it. This risk register is live and ongoing. A question was raised regarding the lowering of the risk with regards to the debate to happen at Conference. Dr Morris replied this is lowered because there is a robust process in place which mitigates the risk. It will be discussed again in 2024.

Castlewellan Holiday week

Various conversations came to light that the holiday week (which is very well run and managed) had an understanding of itself as being under the governance of MCI – but in reality, MCI had no governmental line of sight. They were surprised to discover that this was not the case – therefore it is named as a significant reputational risk but it is being dealt with.

A formal proposal has come from the Castlewellan Holiday week committee “that Castlewellan be recognized as an integral part of MCI, recognizing that this will have structural and Governance implications”. This is a notice of motion.

The implications of this are that it needs to be sorted before the next Castlewellan holiday to either be a separate Charity or else rigorously accountable under the MCI Governance board.

The comment was made that as this is predominantly a group of Methodists running an event there is a reputational issue so some level of purview is required, whether it is a separate charity or part of MCI.

Is there a similar conversation to be had with the Lay witness movement?

When trying to capture all the Associated Bodies CHW was not considered, so it needs to be regulated in some way. Both of those bodies are seen by the world as being core to Methodism – whether they are an independent body or under MCI so both need protection by making them part of MCI. As part of the Y&C strategy CHW is a tremendous missional opportunity which should be supported.

Castlewellan was included in the PCR process. There is a huge risk if a past case came out and then MCI was held accountable. Needs to be investigated and considered.

F&O is looking at safeguarding within MCI and Castlewellan needs to be accountable to MCI for this, however CW has been rigorous in its safeguarding, as the MCI safeguarding officer is also that for the CW holiday week. A paper is to come in January 2024 on this. **Action: Heather Morris**

St Kevin's Park

Indemnity for local trustees at St Kevins Park.

There has been a breach of the will in that it was rented out and not used as a Manse since 2008. Once 12 years have passed and it is uncontested then the conditions of the will lapse and it can be sold. Orpen Franks will not stand over this hence the request from the trustees that indemnity be given to the local trustees should someone from the family contest the sale. This is given as €2.4m is the selling price. It is considered a very low risk and is for information only, as was previously agreed by the Governance Board.

Property Board

The Chair recused himself from the discussion as there is a conflict of interest with Dublin City Mission (DCM).

Manse in Cookstown South Derry

A proposal is made to hold on to the old Cookstown manse and buy a new one for the Minister's family, as the old one whilst being right beside the church, is in a very noisy area that is not safe to have a family in. The proposal is to support the circuit executive.

Agreed

Dublin City Mission (DCM)

The Property Board has given permission in principle to sell Abbey Street and to explore the purchase of a new one at Cavendish Row, estimated to be in the region of €3m.

The issue is how to move forward given that significant bridging finance may be required. DCM DAC have indicated their willingness to share in the provision of bridging finance if required.

The Chairman and Rev Graham are steering this complex process on behalf of DCM. It was proposed that Tom Clarke, David Best, and Dr. Morris will work with DCM as a working group in terms of the pros and cons of bridging in this context and will then revert to the Board for final approval.

The Connexional Team unanimously supported having a Methodist mission in central Dublin.

Permission was sought for the working group to meet and ask all the questions raised, and to be ready to have an emergency meeting/decision if necessary. **Agreed**

Centenary Trustees

The General Secretary is delighted to report that the Centenary Trustees have agreed to transfer from local to statutory trusteeship. The General Secretary, Rev. Andrew Dougherty and Rev. Andrew Kingston were commended for their part in the process.

DCM DAC

David Best is nominated to be the GB Trustee member at the DCM AGM. **Agreed**

Methodist College

It was proposed that Rev. Fiona McCrea and Deirdre McHugh be ratified as Board members of the Methodist College. **Agreed.**

Connexional Team

The suggestion is for reports to Conference to come to the Connexional Team in March and subsequently to the GB in April. **Agreed.**

9. Finance Report

2022 year end accounts

The 2022 audit has been completed and thus the 2022 accounts have been signed off and sent to the CCNI and Charity Regulator by end of October which was the deadline.

Financial report for the Connexional funds

For 2023 there are finance reports up to Q3. It has 75% of the budget plus the actual figures to Sep 2023 and variance to budget. Overall, there is a deficit of £22,000. Details were given on the various items of Income and Expenditure.

Concern was expressed about how the drawdown of reserves needs to be more coordinated. Connexional investments are steady.

The board requested budget figures for 2023 versus actuals and projections for the month of December – the Head of Finance is working on this and will come back before the next GB meeting in December.

Q3 2023 Circuits and societies

The Finance team is still working with only 75% of information – more training has been happening with Treasurers and are following up with those who have not yet submitted their information.

The report provided gave total income and expenditure by circuit and includes whether there is a deficit. A comment was made that revenue costs vs capital/property costs need to be separated out as otherwise it is not a true picture. However, this may not be achievable at circuit level. Property transactions can be funded out of revenue streams so that distorts figures.

The question was raised that if circuits are truly in deficit for an extended period – how long will MCI be able to continue supporting these churches as they have already received their grants. It is expected that this will become a big issue going forward.

Budget for 2024

All Connexional teams and departments have completed their budgets and these are ready for review, the Finance Committee will be scrutinizing them within the next 2 weeks.

Circuits and societies – Finance is still trying to get the final budget figures; some are still outstanding. Treasurers are being given time to complete the budget process.

The comment was made that great progress has been made on the format of reports but it would be useful to have a commentary in the reporting – this would then help explain the big variances.

NR is commended for her work in pulling together the report for the Governance Board.

10. Safeguarding Report

The safeguarding officer reported an update as to where MCI is in terms of the 14 recommendations that were presented to Conference as part of the Past Cases review. A combination of action points, Designated Person training, processes and procedures were covered. These are ongoing and in place to ensure rigour in safeguarding.

The training that the Safeguarding Officer gave in Brookeborough was highly commended.

The next safeguarding report is due in March 2024.

11. Any Other Business

There was none.

12. Next Meeting: 14th December, in person at Edgehill starting at 1030.

13. Closing prayer

Mr O'Connor expressed his thanks to the members of the Board and, there being no other business, he invited Rev. Alderdice to close the meeting in prayer.

Tony O'Connor 23rd November 2023