

## Report to Synod on Budget and M&M and Pensions for 2024-6

The budget proposal for 2024 and beyond is based upon the planned donation to the URC Ministers' Pension Fund.

Making significant contributions to the Ministers' Pension Fund will cause us to show a deficit budget for the next several years.

It is important that we assure Synod that we can afford this. To put it into context, at this time we have investments of over £11 million and property assets of £5.6 million.

In our budgeting we also anticipate an increase in the closure rate of churches.

Our income

£ thousands	2023	2024	2025	2026
Investment Income	240	250	250	250
Rental Income	40	25	25	25
Interest on deposits	2	25	20	20
Capital from redundant properties	300	300	300	300
Additional property sales	0	400	400	400
Grants received	7.5	10	10	10
Training receipts	2.5	5	5	5
Sundry income	5	3	3	3
Totals	<b>597</b>	<b>1018</b>	<b>1013</b>	<b>1013</b>

## Our expenses

£ thousands	2023	2024	2025	2026
Special ministry	84	150	160	170
Synod Staff	200	200	210	220
Pastoral Advisors	45	48	50	52
Ecumenical Grants	5	6	6	6
Other grants	15	15	15	15
Property grants	100	200	200	200
Mission & Enabling grants	50	100	100	100
Resource sharing	25	50	50	50
Retired Ministers Pension	500	500	500	250
Training	10	5	5	5
Youth work	0.2	0.2	0.2	0.2
Schools, retreats,	5	20	20	20
Safeguarding	10	10	10	10
Church Support	5	50	50	50
Synod & area costs	2.5	7.5	7.5	7.5
Office costs	18.5	25.5	25.5	25.5
Office rental	7	9	9	9
Synod Property	20	20	20	20
Investment property	10	20	20	20
Misc. fees	22	32	32	32
<b>Total expenditure</b>	<b>1134</b>	<b>1478</b>	<b>1510</b>	<b>1282</b>
<b>Total income</b>	<b>597</b>	<b>1018</b>	<b>1013</b>	<b>1013</b>
<b>Surplus/deficit</b>	<b>-537</b>	<b>-460</b>	<b>-497</b>	<b>-269</b>

## Resource sharing

We plan to offer £50,000 to the Inter Synod resource sharing to help some of our poorer Synods. The increase is due to less well-off Synod requesting more support.

## Maintenance of the Ministry Fund

In 2022 we failed to meet our target largely due to churches facing challenging times with near total loss of lettings income. This has continued well into 2023, which has meant that the situation is not likely to be a great deal better in 2024.

The Synod makes up the contributions of churches that close. These usually come from assets of the church that closed, but in some cases from Synod funds.

For 2024 we are planning to contribute £1,100,000 to the central M&M fund. The factors affecting guided church contributions will not change.

## Grants

It is planned to change the levels of some grants from the date of this Synod.

- Enabling grants
  - Small grants increased from £2,500 to £5,000.
  - Larger grants no change. Up to £25,000 or £5,000/year for up to 5 years.
- Property Grants
  - Requirement that all property grants are dependent upon a professional building survey having been carried out within 5 years of the grant application.
  - 10% grants are increased to 20% for URC Churches and Manses. If a Facelift grant is applied the first £40,000 of any expenditure is ignored. There is no upper limit.
  - 5% for United Churches are increased to 10%. If a Facelift grant is applied the first £40,000 of any expenditure is ignored. There is no upper limit.
  - Facelift Grants for URC Churches and manses are for 50% of costs up to £40,000. Thus the maximum facelift grant is now £20,000. Facelift grants are only permitted at least 5 years after a previous Facelift application.
  - Facelift grants for United Churches are for 25% of costs up to £40,000. Thus the maximum facelift grant is now £10,000. Facelift grants are only permitted at least 5 years after a previous Facelift application.
  - Survey grants and Asbestos survey grants are unchanged at 50% of the cost provided a copy is lodged with the Synod.
  - Feasibility Grants are unchanged at 50% of the costs but the maximum grant is increased to £5,000.
  - ECO grants for URC churches and manses remain at 50% of the costs, but the maximum grant is increased to £10,000.
  - ECO grants for United Churches remain at 25% of costs but the maximum grant is increased to £5,000.
  - AV grants for URC Churches to install or upgrade an Audio or Video system are based upon 50% of costs with a maximum grant of £10,000. For United church this is 25% of costs with a maximum grant of £5,000.

## Loans

- There is no change in the rules affecting church loans for building works. There is no set maximum level of loan, but the church must be able to show how it intends to repay a loan. A loan is normally expected to be repaid within 5 years. The cost is 1% above the Bank of England base rate and calculated upon a daily basis on the amount outstanding.

- Loans to ministers in order to facilitate the purchase of a car for pastoral purposes is increased to £7,500, and must be repaid within 5 years. The cost is 1% above the Bank of England base rate and calculated upon a daily basis on the amount outstanding.