

Report to Synod

Budget for 2025-27

The budget proposal for 2025 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.

I do foresee significant impact from the offer to take over manse from churches (See below) and the probability that we shall need additional staff to deal with both property issues and finance issues.

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

Our income

| £ thousands | 2024 | 2025 | 2026 | 2027 |
|-----------------------------------|------------|-------------|-------------|-------------|
| Investment Income | 240 | 300 | 300 | 300 |
| Rental Income | 40 | 25 | 25 | 25 |
| Interest on deposits | 2 | 40 | 40 | 40 |
| Capital from redundant properties | 300 | 300 | 300 | 300 |
| Additional property sales | 0 | 1250 | 750 | 750 |
| Grants received | 7.5 | 7.5 | 7.5 | 7.5 |
| Training receipts | 2.5 | 8 | 8 | 8 |
| Sundry income | 5 | 10 | 10 | 10 |
| Totals | 597 | 1940 | 1440 | 1440 |

Our expenses

| £ thousands | 2024 | 2025 | 2026 | 2027 |
|---------------------------|-------------|-------------|-------------|-------------|
| Special ministry | 84 | 75 | 100 | 100 |
| Synod Staff | 200 | 225 | 250 | 250 |
| Pastoral Advisors | 45 | 48 | 50 | 52 |
| Ecumenical Grants | 5 | 6 | 6 | 6 |
| Other grants | 15 | 35 | 35 | 35 |
| Property grants | 100 | 175 | 200 | 200 |
| Mission & Enabling grants | 50 | 100 | 100 | 100 |
| Resource sharing | 50 | 50 | 50 | 50 |
| Retired Ministers Pension | 500 | 500 | 250 | 250 |
| Training | 10 | 6 | 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 | 37 | 37 | 37 |
| Office rental | 7 | 10 | 10 | 10 |
| Synod Property | 20 | 75 | 75 | 75 |
| Investment property | 10 | 75 | 75 | 75 |
| Misc. fees | 22 | 40 | 40 | 40 |
| Total expenditure | 1134 | 1537 | 1376 | 1377 |
| Total income | 597 | 1940 | 1440 | 1440 |
| Surplus/deficit | -537 | 391 | 64 | 63 |
| | | | | |

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 Synods requesting more support.

We as the Synod Trust will ensure that the M&M paid centrally in 2025 is at least as much as the figure raised in 2023.

Maintenance of the Ministry Fund

In 2023 we failed to meet our target largely due to churches facing challenging times with near total loss of lettings income. For 2024 the Synod Trust will make up any shortfall in M&M contributions, and this will continue into 2025.

For 2025 we are planning to contribute £1,500,000 to the central M&M fund. The factors affecting guided church contributions will not change.

Grants

We plan from March 2025 to only give grants to churches that are up to date with their 5 yearly property inspections and have completed in a timely manner the survey forms that are issued annually.

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.

Fixed Car Allowance

Most ministers receive a Fixed Car Allowance to enable them to replace the cars that they own, as usually they do not make sufficient use to recoup car costs.

The allowance from the beginning of 2025 will increase from £1200/annum to £2400/annum. This reflects the change in costs of motoring. The figure has not been changed since 2008.

Manse Policy

The Synod Trust is aware of the pressures on local churches and pastorates in maintaining a manse in good condition. The Trust is aware also of the likelihood of changes to the laws governing letting of properties, and the possibility of requiring properties to be let to meet increasing standards of insulation, and requiring a EPC rating of 'E' or better.

The Synod Trust notes that we should not be in the position of a landlord for other than ministers. We currently have on our property register some 54 manses, but we only have 16 ministers in Pastoral charge.

Therefore, we have decided to offer churches and pastorates the opportunity to hand over to the Synod Trust the responsibility for their manses. This is, at this stage, a voluntary choice.

In order to provide manses for ministers, the Synod Trust will provide a manse for any stipendiary minister or CRCW called to serve within the Synod. This will apply only to churches or pastorates which do not have a manse. For manses provided by the Synod Trust, the Synod Trust will be responsible for all maintenance and insurance costs.

Where a church decides that it can handover the manse to the Synod Trust and relinquish all rights and responsibilities to that manse, the Synod Trust will make available to the church or pastorate a sum of at least 40% of the value at handover (independently valued) which can be used for major capital works or repair to church buildings. To obtain a greater than 40% share, the church will need to make a case that it has a significant development in mind to be started within 2 years of giving up the manse.

We will, because of this policy, no longer offer grants for work on manses.

To effect the change, the church meeting will need to pass a resolution, stating that it no longer needs the building. The step, once completed, is irrevocable.

Property letting and licences

The Synod Trust recognises that the ever-increasing level of care needed over the leasing, letting, or hiring of church properties is a cost that can be a burden on the church.

Therefore, where a license, lease, or hiring agreement needs to be drawn up, the Synod Trust will meet 100% of the legal costs or preparing such a document.