

## The Governance Board

### Meeting 010: 15th September 2022 in Agape Centre, Belfast

### MINUTES

<b>Present:</b>	<b>Apologies</b>
Mr Tony O'Connor (Chair)	Mr Tom Wilson *Rev David Campton for part of the meeting
General Secretary: Rev Dr Heather Morris (Convener)	
Rev David Nixon	
Rev Dr Sahr Yambasu	
Rev David Turtle	
Mr Tom Millar	
Rev Harold Agnew	
Mr David Best	
Rev David Campton*	
Mr John Clarke	
Mr Paul Cummings	
Ms Laura Griffith	
Ms Gillian Kingston	
Rev Nigel Mackey	

<b>In attendance:</b>
Ms Elaine Barnett (Secretary to the Board)

#### 1. Opening Prayers

The Ex-President, Rev Dr Sahr Yambasu, led the meeting in prayer.

#### 2. Welcome and Apologies

All were welcomed to the meeting, especially Rev David Turtle attending for the first time as President Designate, and apologies were noted.

Rev Campton, having notified the Chair of his unavoidable absence for part of the morning during which time the Finance Report would be discussed, was given the opportunity to outline the difficulties being faced by BCM in obtaining audited accounts.

#### 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

J Clarke, G Kingston, H Morris, D Turtle are members of the President's Advisory Committee (item 5); Ministerial members of the Board (items 12 & 13: Pensions, Stipends & Allowances) in addition, H Agnew and P Cummings are members of the Working Party; D Campton, Circuit Superintendent of Belfast South & Central (item 16: Belfast City Centre Chaplaincy)

#### 5. President's Advisory Board

Dr Morris updated the meeting on the progress of the legal issue being dealt with by the President's Advisory Committee and previously reported to the Governance Board. The date for a preliminary hearing is now known, as well as an opportunity for Mediation to be chaired by an independent barrister.

#### 6. Governance Board Review 2022

Tony O'Connor presented the results of the anonymous survey concerning the work of the Board in its first year of operation (paper 010\_22.09\_06, previously circulated).

It was agreed that:

- there needs to be greater clarity on when a decision of the Board becomes operational – immediately, or after Conference. Tony has been keeping a record of decisions taken and will include that with every Agenda to help the Board monitor progress/completion.

**Action: Tony**

**Timescale: from next meeting**

- there is scope for improving communication to the Church and this will be considered at a future meeting.

- there is a need for the wider church to consider how best to use reserves currently being held. It was felt that this had been misunderstood at Conference, so conversations on using church resources for missional purposes needs to be fostered.

**Action: Tony to prepare a Governance Board Report including discussion document on this issue for inclusion in the Methodist Newsletter, and also for circulation to ministers and Circuit Stewards**  
**Timescale: next two months**

[\*11.14am Rev D Campton left the meeting]

- it would be helpful to clarify on the Agenda which items are for decision by the Board and which for information

**Action: Tony**

**Timescale: from next meeting**

## 7. Governance Board Priorities for the year

Tony presented a prepared list (*paper 010\_22.09\_07 previously circulated*). It was recognised that it was long list and it would be important to prioritise.

**Action: Tony to draw up a working schedule**

**Timescale: next meeting**

## 8. Governance Board Sub-Committees

The Chair of each sub-committee outlined the work covered last Connexional year and gave an indication of work that needs to be covered in the coming year:

### **Audit, Risk and Budget Committee (ARBC)**

Membership: John Clarke, Paul Cummings, Heather Morris and David Best (Chair).

David Best reported that two meetings of the ARBC were held during the year. The following areas were covered: the TOR and duties plus timetable for sub-Committees; new financial system; budgetary process; submissions to ROI Regulator & NI Charity Commission; and redrafting of the DCM Constitution. The 3rd meeting has been delayed pending preparation and audit of the Annual Report and Accounts.

### **Audit and Assurance Committee (AAC)**

Membership: Nigel Mackey, Tom Millar, Neil Payne and David Best (Chair).

David Best reported that the Committee met on three occasions during the year, and the next meeting is planned for 21/9/22.

Regular contact with the Finance Team and the external auditors has been maintained over the summer regarding progress on the Annual Report and Accounts for the year ended December 2021.

Key issues for the coming year include: completion of the Annual Report and Accounts; development of a corporate risk register; development of an Assurance Framework; and obtaining assurances regarding the new budgetary system and the internal control systems.

### **Finance and Budget Committee (FC)**

Membership: Harold Agnew, Harold Baird, Laura Griffith, Bruce Mullen and Paul Cummings (Chair).

Paul Cummings reported that the past year had proved particularly difficult – the introduction and roll-out of a new finance system across the Connexion combined with the resignation of the CFO and consequent recruitment process and appointment of a new Head of Finance had resulted in delays to the preparation of audited accounts. During the year they worked on a Reserves Policy, the Connexional Budget, Stipends and Salaries, and supporting the Finance Department. The aim for the coming year is to see the Finances and auditing system ‘bedded down’ and running according to an efficient timeframe, so that the sub-committee can develop its work under the terms of reference.

### **General Assurance Committee (GAC)**

Membership: David Campton, Andrew Irvine, Gillian Kingston and John Clarke (Chair)

John Clarke reported that the ‘**Taking Care**’ and ‘**Taking Care of All**’ policies have been reviewed and ready for adoption by the Board.

For the coming year, a comprehensive list of policies put in place by various departments of the church is needed, and Risk Registers need to be kept up to date with review dates clearly noted.

The most significant area of work for the sub-committee this year is on Associated Bodies which is a complex area and will need additional resources, including input from a lawyer familiar with charity law.

**Action: Tony, Heather and John to plan a way forward in dealing with the review of Associated Bodies, including what additional help is needed for the sub-committee**

**Timescale: report to the next Board meeting in October**

#### 9. General Secretary's Report

Dr Morris reported on a wide range of issues, commenting on challenges facing the Church including a sense of post-Covid tiredness; young people and families are noticeably slow to return to church; cost of living concerns, but there are also areas of encouragement such as a renewed sense of hope springing with the new team in Portrush, and the work being done by the Local Preachers committee

The Key Challenge for the Church is to continue to resource local congregations to live wholeheartedly as followers of Jesus for the transformation of the world.

##### Conference

Conference directed the Governance Board to review the membership of the Conference and bring proposals to the Conference of 2023.

##### **Proposal 1: Working Party:**

President, Lay Leader, Rev Ruth Patterson, Mr Michael Briggs, Ms Gillian Skillen (Operations Manager), and the General Secretary.

**Agreed**

##### **Proposal 2: Conference 2023**

In the interim, to facilitate advance planning, that Conference 2023 be held in Assembly Buildings, Belfast.

**Agreed**

In discussion, concern was expressed at the 'fall-off' of numbers attending Conference as the weekend progressed, and it was suggested that part of the reason could be the cost of another night's hotel accommodation. It was suggested that a levy on all Circuits towards the cost of representatives attending Conference would mean some Circuits would not be more adversely affected than others because of distance travelled and the need for accommodation.

**Proposal:** that a financial support plan be devised and put in place for Conference 2023

**Timescale:** The Conference Allocation is due to be agreed at the October meeting of the Governance Board and the financial support can be communicated after that.

##### Insurance Review

The Operations Manager, Gillian Skillen, has been working with Graham Hohn and that work is now nearing completion. To date the only gap in insurance cover which has been identified relates to cyber insurance, and that has now been put in place.

**Action:** Written report to the Board

**Timescale:** for the October meeting

##### Dublin Central Mission leases

As discussed at an earlier meeting of the Board, DCM (DAC) requires MCI to set up lease agreements. It has proved somewhat problematic, but it is now progressing well and the date of 30th September 2022 has been given for completion.

##### Working Party on Implementation of Property Report

Membership: Rev Tom Clarke, Mr Keith Irvine, Mr Steve Taylor, Ms Nicola Robinson (Head of Finance), Mr Simon Kinghan (Estates Manager) and the General Secretary. Work is continuing on implementing the recommendations with regard to Circuit property maintenance requirements as laid out in the Governance Board report, and the Connexional obligations in supporting this. They are working towards completing the work by January 2023 as required.

##### Religious Designation

MCI has begun the process of applying for Religious Designation status with CCNI. However, a difficulty has arisen with regard to Associated Bodies and their differing Constitutions. Consideration is being given

as to whether it is legally possible to register MCI with Religious Designation on its own - without the Associated Bodies.

Clarification was therefore sought from the Board – if CCNI determine that it is legally possible, should this be the direction of travel for MCI?

**Agreed**

## 10. Administrative Items

1) An advertisement has been placed for an additional Finance Officer which will hopefully ease some of the pressures in the Finance Team.

2) Proposed textual changes to Section 5 of the Constitution of the Church were circulated and are appended to the Minutes.

These were approved and notification will be forwarded to the Government of the Republic of Ireland.

3) Methodist Ministers' Retirement Income Augmentation Fund

One of the Fund's Administrators, Ms Dorothy Cranston, has indicated (since Conference) that she is stepping down from the role.

**Proposal:** that Ms Irene Dickson be appointed in her place

**Agreed**

4) Amendment to the Manual of Laws

The Conference of 2022 agreed a change to the Manual of Laws para. 7.35 regarding the period of notice which needs to be given to Conference. However, a similar reference in para. 7.36, by an oversight, was not before the Conference and, if left, would lead to inconsistencies within the Manual. It was proposed that the reference to the Courts of the Church not be changed in either paragraph, and that the full changes to both paragraphs be brought to the Conference of 2023.

**Agreed**

5) Donations to Other Bodies

**Proposal:** to continue to pay the membership contributions as in previous years and as indicated in paper 010\_22.09\_10 which had been previously circulated

**Agreed**

6) Consequential changes to the Manual of Laws para. 7.18

**Proposal:** In light of the review of the remit of the President's Advisory Committee, the inclusion of the additional sentence in 7.18, as follows

If any issue arises which has the potential to cause reputational damage to the Church or heighten any other risk to the Church then the General Secretary must inform the Chair of the Governance Board.

**Agreed**

## 11. Finance

a. Finance report

The General Secretary presented the report (*010\_22.09\_11a Finance Report, previously circulated*) which had been prepared by Head of Finance, Ms Nicola Robinson.

- all information has been received from circuits and societies and has been processed
- all bank reconciliations for connexional accounts have been reconciled and the coding is being corrected
- audited accounts from BCM have not been received because of a delay with their auditors
- some work still remains on getting circuits and societies on to the new system
- it is still envisaged that financial figures will be reported to the Board quarterly, but with the backlog of other work that will not be until the first quarter of 2023 at the earliest

In discussion, Board members were concerned that the delay in getting the audited accounts from BCM, an Associated Body, may mean that the MCI accounts cannot be presented to CCNI by the end of October, and it might be advisable to notify CCNI of the situation. Concern was also expressed that some circuits are not submitting accounts until weeks or months after the deadline. The Board is keen to see key steps outlined with a timeline for the coming months.

The Board also expressed appreciation for the incredible amount of hard work undertaken by members of the Finance Team on our behalf, under the most difficult and pressing circumstances.

b. Connexional Budget Processes

The General Secretary presented the report (010\_22.09\_11b Budget Processes, previously circulated) which had been prepared by Head of Finance, Ms Nicola Robinson, and which outlines the steps and timeline for preparing budgets for 2023 and 2024. With the inclusion of the Finance Committee at the appropriate place in the timeline, these were approved.

[\*during the lunch break Rev D Campton rejoined the meeting]

**12. MCI Pension Plans- Preliminary Report** (paper 010\_22.09\_12, previously circulated)

In presenting the report, Paul Cummings outlined the current MCI pension provision which is fragmented and not sustainable long-term, and noted that this complex area would benefit from professional review and advice.

**Proposal:** to engage the services of a Pension Adviser to conduct an independent pension review and make recommendations.

**Agreed**

**13. Stipends and Allowances** (paper 101\_22.09\_13, previously circulated)

Paul Cummings presented the report and associated recommendations from the Working Party on Stipends, Allowances and Salaries.

**Proposals**

Northern Ireland Ministers

- current stipend levels to be increased by 2% from 1st January 2023
- TMEA allowance be kept at 9% of top stipend
- a one-off payment be made in December 2022 of £750 to recognise the increasing manse running costs.
- child allowances be increased by 5%.
- any student in fulltime education after the age of 18 remains eligible for the child allowance for a maximum of 4 years (also applies to ROI Ministers).

Republic of Ireland Ministers

The different systems and the tax differences between the two jurisdictions mean that at present the stipend and allowance levels in ROI are significantly higher than in NI. Therefore, the recommendation is -

- a 1% uplift be applied to the level of stipend or allowance in ROI for 2023
- no change in other allowances

Staff (Vocational and Lay) Increases

The Working Party considered a range of options in line with those being used in both the public and private sector and recommend:

- an increase of 5% in line with the average pay settlement this year

[It is recognised that the Comprehensive Assessment only increased by 2% and therefore an increase above this requires funding from a separate source.]

Funding

- the £750 payment to be paid from central funds
- an exceptional fund to be set up for Circuits that are struggling to claim support

**All Agreed**

**Action:**

- the General Secretary to communicate these decisions to ministers and circuits
- the General Secretary to explore how to set up an additional 'hardship fund' to support ministers who may be affected by increased energy costs

**Timescale:** October

**14. Faith & Order - Consultation Process** (paper 010\_22.09\_14, previously circulated)

Gillian Kingston took the members through the written report and spoke of the Bible Studies which are being prepared and should be available before Christmas. The intention is to help local congregations to engage with the debate and find ways to hold different views within the church. There was broad

agreement that the Faith & Order Committee may need to consider a longer time frame to facilitate discussion and the President commented that the conversation at the Board had been very helpful.

**Agreed:** Faith and Order to give consideration to the points raised and revert to the GB in due course.

**Timescale:** November

**15. Connexional Team report** (*paper 010\_22.09\_15, previously circulated*)

Heather Morris reported that the Connexional Team had reviewed its work and was proposing changes to its membership and clarification of strategic responsibility and accountability.

**Proposal 1: Membership:**

- Keep the facilitator/convenor role
- President, Lay Leader, President designate and Lay Leader designate, General Secretary
- Three District Superintendents
- A representative from: Home Mission (who also represents Pioneer mission), IMYC, Ministries Team, WDR & WMP (1) and Property
- In attendance when necessary: Operations Manager, Head of Finance, Council on Social Responsibility, Faith & Order

A membership of 14 (was 13), with the stationing sub-group remaining unchanged.

**Agreed**

**Proposal 2: Accountability**

The following Bodies whose accountability will now be to the Governance Board rather than the Connexional Team:

MWI; Prison and Healthcare Chaplaincy Committee; Ministry of Healing; City Missions; Childcare Society  
Similarly, the Property Board will liaise closely with the Connexional Team on decision making, but their accountability remains to the Governance Board.

**Agreed**

**16. Belfast City Centre Chaplaincy** (*paper 010\_22.09\_16 previously circulated*)

David Campton presented the paper which outlines proposed revision of the Memorandum and Articles of BCCC; this is still a work in progress and a further report will be brought to the Board.

**17. Committee Reporting Schedule** (*paper 010\_22.09\_17 previously circulated*)

The paper outlined a proposed programme (January – May) for the Governance Board to consider reports so that time can be better allocated for the process.

**Action:** Tony to communicate the proposed dates to the various Boards and committees.

**Timescale:** as soon as practicable to enable them to plan accordingly

**18. Reserves Policy – Implications and implementation**

*Business deferred to October meeting*

**19. Statutory Trustees: Memorial re Investment Policy**

*Business deferred to October meeting*

**20. Any Other Business**

None

**21. Future Meetings and Venues**

Tuesday 11th October (Dublin); Thursday 10th November (Belfast); Thursday 8th December (Belfast)  
Thursday 19th January (Belfast); Monday 13th February (Dublin); Monday 20th March (Belfast);  
Thursday 20th April (Belfast); Thursday 25th May (Belfast)

**13. Closing prayer**

Mr O'Connor expressed his thanks to the members of the Board and, there being no other business, the meeting closed with all sharing in the words of the Benediction.

Tony O'Connor  
11th October 2022