

MINUTES of the Leeds Board held at 6.30pm on 8th May 2017 at Church House, 17-19 York Place, Leeds LS1 2EX.

Present:

The Rt Revd Nick Baines (Chair), The Revd Canon Paul Ayers, Mr Simon Baldwin, Mrs Marilyn Banister, Major Geoffrey Berry, Ms Kay Brown, The Revd Canon Simon Cowling, The Ven Dr Anne Dawtry, The Very Revd John Dobson, Mrs Jane Evans, The Rt Revd Jonathan Gibbs, The Rt Revd Toby Howarth, The Ven Andy Jolley, The Revd Canon Tony Macpherson, The Ven Bev Mason, Mr Andrew Maude, Canon Ann Nicholl, The Ven Peter Townley and Mrs Jane Wardman.

In Attendance:

Mr Ashley Ellis, Mrs Debbie Child, Mrs Judith Calvert, Mr Peter Foskett, The Revd Canon Andrew Norman, Mr Chris Tate and Ms Alison Bogle.

1. Opening prayers.

The Ven Paul Ayers led the opening prayers.

2. Welcome and Apologies.

The Bishop of Leeds welcomed the members of the Board to the meeting. Mr Adam Halsey, (Charities Partner at hayesmacintyre, the Leeds Diocesan Board of Finance auditors) was also welcomed and would be speaking on Item 13 Leeds Diocesan Board of Finance Annual Reports and Financial Statements 2016. The Archdeacon of Halifax was welcomed back from her sabbatical.

Apologies had been received from:

The Revd Martin Macdonald

The Revd Tony Macpherson.

3. Declarations of interest.

Members were reminded of the need to declare any conflict of interest on matters on the agenda.

None was declared.

4. Minutes of the Leeds Board held on 17th January 2017 for approval.

A copy of the draft Minutes of the Leeds Board meeting held on 17th January 2017 had been circulated to the members and were for approval.

The minutes were approved unanimously.

5. Matters arising from the Minutes of the last meeting.

There were no matters arising.

Matters which should be kept confidential/redacted from online publication.

The Board agreed no items were to be redacted.

The Board moved to Item 13.

13. Leeds Diocesan Board of Finance Annual Reports and Financial Statements 2016.

Members had been circulated with a copy of the Draft Leeds DBF Annual Reports and Financial Statements, Leeds DBF letter of representation, a Summary of the Accounts and Performance against budget and Actual Outturn compared to Budget for 2016. Adam Halsey and Ashley Ellis spoke to this item.

Ashley explained that the Accounts showed that the total net gains were £1.468m. However, the unrestricted funds loss was £353k. A change to the pension reporting rules meant that the pension payments were now shown as a decrease in pension liabilities (ie in the Balance Sheet rather than the Statement of Financial Activities). The key area of variance from the 2016 budget was an 87% receipt of parish share: 100% was budgeted for. £1m of funds had been received from the Church Commissioners for the transformation. £4m of funds had been transferred to property (for the purchase of the new diocesan office) and income from investments had therefore reduced by £0.5m. Not all clergy posts were filled during the year resulting in savings against budget. Additional costs were mainly for property maintenance.

Adam Halsey gave an overview of the audit findings of the 2016 accounts. The key areas highlighted were:

- Parish share collection rate was quite low compared with other dioceses however, the unrestricted funds deficit was quite low.
- Addressing the unrestricted funds balance was the key task for the future. Using restricted funds could only be a temporary measure. The Audit Committee had indicated that there was a desire to develop a strategy to balance the budget and repatriate some funds.
- This is the first year the accounting systems and processes were fully integrated. All the major issues around financial processes raised in the previous audit have been addressed.
- Overall, the audit findings were positive.

The Board discussed and commented on the Accounts and the following points were clarified:

- Salary sacrifice referred to the way contributions were made to pensions.
- Parsonages houses are held at market value with an annual value review. The

Audit found that on average property values had increased by 10% and in future years this needed to be reflected in the valuation.

- The Board is not responsible for the cathedrals' finances.

It was noted that the Board members had some typographical and other amendments to the Trustees Report and the Board were asked to let Ashley Ellis have a note of these by Friday, 12th May 2017 so that they could be incorporated in to the Trustees Annual Report.

The Bishop of Leeds proposed that:

“This Board acknowledges receipt of the Audit Findings report (LB-17-05-08-2) and approves the draft letter of representation from the Board to the auditors (LB-17-05-08-1) and the Leeds Diocesan Board of Finance Draft Annual Reports and Financial Statements (as amended) for the year ended 31 December 2016 (LB-17-05-08).”

Seconded by: Andrew Maude.

Approved unanimously.

Adam Halsey was thanked for his work and that of the audit team, then left the meeting.

6 Link Bishops Visit report.

The Bishop of Leeds reported on the recent retreat by the bishops of the Dioceses of Leeds with the bishops from the international link diocese held at Parceval Hall. A communique was agreed and published after the meeting. It was noted that the Bishop of Leeds would be meeting with the Chairs of the diocese's link committees and that a report of the visit was also to be an agenda item at the next Diocesan Synod.

The Board attended to Diocesan Mission and Pastoral Committee business. The non-elected Archdeacons joined the Board and the Area Bishops became observers.

7. Minutes of the meeting of the Episcopal Areas Mission and Pastoral Committees for noting.

A diocesan website link to the draft minutes of the Bradford Area Mission & Pastoral Committee and the draft Bradford EAMPC Minutes 12/01/17, Huddersfield EAMPC Minutes 11/01/17, Leeds EAMPC Minutes 17/01/17, Wakefield EAMPC Minutes 06/02/17, LB-17-05-03-4; Ripon EAMPC Minutes 08/02/17 and Bradford EAMPC Minutes 07/03/17 had been circulated to the Board members. The Diocesan Mission & Pastoral Committee Secretary, Mrs Judith Calvert, confirmed that these were for noting. There were no questions raised.

8. Report from the Diocesan Mission and Pastoral Committee Secretary.

A report from the Diocesan Mission and Pastoral Committee Secretary had been circulated to the Board. There were no questions raised on the report.

9. St John the Divine, Caldergrove

Judith Calvert spoke to this item. There was a proposed Pastoral Scheme to close the St John the Divine, Caldergrove chapel of ease in the Wakefield Episcopal Area. The Archbishop of York had asked that the Leeds Diocesan Mission and Pastoral Committee indicate if it supported the proposal. (The Wakefield EAMPC had already given support). Representations had been made to the Church Commissioners as part of the consultation process. The Board discussed the proposed motion.

The Bishop of Leeds proposed that:

“Noting the support of the Wakefield Area Mission and Pastoral Committee for the PCC of St James’ Chapelthorpe’s proposal to seek the closure of St John the Divine, Caldergrove, the Leeds Diocesan Mission and Pastoral Committee confirms it supports the proposal.”

Seconded by: The Revd Canon Simon Cowling

All agreed.

The Board now considered the non-Diocesan Mission and Pastoral Committee business and the non-elected Archdeacons now became observers and the Area Bishops re-joined the Board.

10. Benefice of Bishop Thornton, Burnt Yates, Markington, Ripley, and South Stainley.

To receive a scheme under Rule 19 of the Church Representation Rules for a Joint Parochial Church Council for the parishes within the above benefice and to determine whether and on what date the scheme shall come into operation.

Members had been circulated with a proposed scheme for the benefice of Bishop Thornton, Burnt Yates, Markington, Ripley, and South Stainley. Judith Calvert presented this item explaining that this was Bishop’s Council /Board business and reminded members that the background to the item was in her report.

The Board discussed the item and agreed to receive the Scheme under Rule 19 of the Church Representation Rules 2017 for a Joint Parochial Church Council for the parishes within the above benefice and agreed that the Scheme should come into operation with effect from 8th May 2017.

11. Parish of Keighley – scheme pursuant to Rule 18, Church Representation Rules (2017).

To receive a scheme under Rule 18 of the Church Representation Rules for representation on a parochial church council for a parish with multiple places of worship and to determine whether and on what date the scheme shall come into operation.

Members had been circulated with a proposed Scheme for Keighley parish. Peter Foskett, Diocesan Registrar, presented this item and explained that this also was Bishop's Council /Board business.

The Board discussed the item and agreed to receive the Scheme under Rule 18 of the Church Representation Rules for representation on a parochial church council for a parish with multiple places of worship and agreed that the Scheme should come into operation with effect from 8th May 2017.

12. Board of Patronage Annual Report (for noting).

The Board noted the report.

The Board moved to Item 14.

14. Diocese of Leeds Independent Safeguarding Audit Report

Members had been circulated with a copy of the Diocese of Leeds Independent Safeguarding Audit Report and Recommendations from the Independent Safeguarding Audit. Debbie Child spoke to this item highlighting the items the report thought the diocese did particularly well and that the recommendations document outlined the matters raised and the diocese's response to these issues.

The Board discussed the report and it was noted that the positive report was a tribute to the work of Debbie Child and the diocesan safeguarding advisers.

The Board moved to Item 16.

16. Report from the Bishop's Strategy Group.

Members had been circulated with Leeds Diocese Developing a Strategy Framework document and an Executive Summary. Bishop Paul Slater presented this item. The Board was invited to:

- a) Endorse the three 'enabling means': Clergy and Lay Together, Purposeful Resourcing, Dynamic Partnerships
- b) Request the Bishop's Strategy Group to prepare a draft strategic plan, using the endorsed strategic framework and commissioning subgroups as they see fit, reporting back to the Board's September residential
- c) Offer the Bishop's Strategy Group insights and perspectives to bear in mind as their work is carried forward.

The Board discussed the report and summary document and offered the Bishop's Strategy Group insights and perspectives to bear in mind as their work is carried forward..

It was agreed that the enabling means be endorsed and that the Leeds Board request the Bishop's Strategy Group to prepare a draft strategic plan, using the endorsed strategic framework and commissioning subgroups as they see fit, reporting back to the Board's September residential.

The Board moved to Item 18.

18. Diocesan Environment Policy.

Members had been circulated with a copy of the proposed Diocesan Environment policy and introduction to the policy. The policy would be an item on the Diocesan Synod Agenda on 10 June 2017. Bishop Paul Slater presented this item explaining the importance of this in the context of stewardship of resources and the environmental changes which will be happening over the next 50 years. The Board members discussed the policy and gave feedback on the document ready for its circulation to Diocesan Synod.

19. Fees System.

Members have been circulated with a Fees System document. Archdeacon Peter Townley presented this item. The proposed scheme had been trialled in the Wakefield Episcopal Area and involved parochial fees being paid to the Leeds DBF as a payment hub and then remitted to the parishes. There was one outstanding issue in respect of marriage fees being paid by instalments so to accommodate this it was proposed that marriage fees being dealt with locally.

It was agreed that the Leeds board commend the scheme to the parishes of the diocese with the intention that the Scheme be adopted across the whole diocese by May 2018.

The Board moved to Item 15.

15. Financial update.

Members had been circulated with a copy of the Parish Share returns spreadsheets for the months ending 31.3.17 and 30.4.17, Finance Report for March 2017 and Notes from the Finance Advisory group meeting 20.3.17. Ashley Ellis spoke to this item. Parish Share receipts were 17% compared with 16% at the same time in 2016. This resulted in a current forecast of an 87% - 88% collection for 2017 ie a £2m shortfall. This would result in an forecast overall shortfall of £3.9m against a budget of £1.89m (note Budget assumes 100% share collection).

17. Budget 2018.

Members had been circulated with a copy of Leeds DBF draft Budget 2018, Budget Projections, Budget Comparisons, proposed Budget 2018 compared to 2017 and Unrestricted Reserves Usage documents. Ashley presented this item. The Budget proposals included the use of restricted funds (including the s554 funding available to the Education department to fund their work), an increase in parish share request of 2% per year, budgeting for the average number of filled stipendiary posts (313) and a reduction of 7 posts per year thereafter (which would also reduce property costs). The proposed deficit was £2.6m. it was noted that there were ongoing discussions with the

Bishop of Huddersfield (as Chair of the Diocesan Board of Education) about the proposal for the Education budget which may reduce the proposed deficit to £2.4m.

After discussion by the Board, Geoffrey Berry proposed and the Archdeacon of Halifax seconded that the Leeds Board approve the proposed Budget 2018 (noting that there may be an additional possible reduction to the Education department funding of £200k) and that the draft Budget 2018 should be sent to Diocesan Synod for approval.

The Board unanimously approved the proposal.

The Board moved to Item 20.

20. Appointment of The Rt Revd John Flack as an Honorary Assistant Bishop.

The Bishop of Leeds presented this item. The Rt Revd John Flack was retiring to the Wakefield Episcopal Area and it was proposed that he be appointed an honorary assistant bishop of the Diocese of Leeds. If the Board approved the proposal, it would then be go to the Diocesan Synod for approval.

All agreed.

21. Marrick Priory - Leeds Diocesan Board of Finance Nominee.

The Bishop of Leeds spoke to this item. There are seven trustees of Marrick Priory appointed by the Board. It was proposed that Peggy Purver be a DBF nominee.

All agreed.

22. Any other business.

There was no other business.

23 Close.

The Bishop of Leeds closed the meeting in prayer.