

*These Minutes do not include the items the Board agreed would be kept confidential in the online publication.*

MINUTES of the Leeds Board held at 6.30pm on 15<sup>th</sup> June, 2016 at the Diocese of Leeds office at St Mary's Street, Leeds LS9 7DP.

Present:

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

In Attendance:

Mr Ashley Ellis, Mrs Debbie Child, Mrs Judith Calvert, Mr Peter Foskett and Ms Alison Bogle.

1. Opening prayers.

The meeting opened with prayers led by Bishop Jonathan Gibbs.

2. Welcome and Apologies.

The Bishop of Leeds welcomed everyone to the meeting.

Apologies had been received from:

The Rt Revd Paul Slater

The Revd Canon Simon Cowling

The Ven Paul Hooper.

3. Declarations of interest.

Members were asked to disclose any conflicts of interest concerning any items on the Agenda.

None were disclosed.

4. Minutes of the WYAD Board held on 12 April, 2016 for approval.  
(LB-16-06-02)

A copy of the Draft Minutes of the Leeds Board meeting held on 12 April, 2016 had been circulated to the members. These were for approval by the Board.

Two amendments were proposed by the Archdeacon of Halifax:

Item 6 (M&P minutes) – amend “Ripon Episcopal Area” in line two, to “Ripon and Leeds Mission and Pastoral Committee”; and

Item 13 (New Diocesan Office) – amend reference to Archdeacon of Richmond and Craven in line 5 to Archdeacon of Leeds.

All Agreed.

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

Item 9 – Goddard Inquiry Update

Canon Paul Ayers asked if all parishes would be included in the diocese’s National Church audit.

Debbie Child confirmed that the audit would include some diocesan parishes.

(The non-elected Archdeacons replaced the Area Bishops for the Diocesan Mission and Pastoral matters Items 6 and 7.)

## 6. Minutes of the meeting of the Bradford, Leeds and Ripon Episcopal Areas Mission and Pastoral Committees for noting.

(LB-16-06-03-1, LB-04-03-2, LB-16-06-03-3)

Judith Calvert confirmed that the Minutes from the Area Mission and Pastoral Committees were for noting only and were taken as read. No questions were raised.

## 7. Report from the Diocesan Mission and Pastoral Committee Secretary.

(LB-16-06-04)

A summary report from Judith Calvert had been circulated to the Board members prior to the meeting. Judith confirmed that the references to “closed churches” were to those which had followed the Pastoral Measure process and were now formally closed.

The members discussed the practicalities of the Archdeacons’ attendance at the meeting for only the mission and pastoral matters. It was agreed that the archdeacons could be “in

attendance” during the non-mission and pastoral items of business.

At the end of Item 7 Judith Calvert left meeting, the Area Bishops re-joined the meeting and the non-elected Archdeacons took no further part.

8. Transformation Update.  
(LB-16-06-05)

Members have been circulated with a copy of the latest Transformation Update which was in the form of an update report of the Review of Ministry and Mission activities from Debbie Child. Debbie and the Bishop of Leeds led a discussion on the report. The Director would be present and report at Bishop’s Staff meetings. There would be Episcopal Area teams chaired by the area bishop and attended by the Director of Ministry and Mission. This would ensure that ministry and mission support was targeted at what was needed in each episcopal area and by the parishes in that area. The Ministry and Mission Core Team will have responsibility for ensuring integration of the ministry and mission diocesan vision across all departments.

With regard to implementation of the new structure, the Board were reminded that this matter was confidential and sensitive as it involved staff posts. Although the ministry staff were aware of the review they did not as yet know the detail. Staff would be given the opportunity to discuss individual roles in due course.

It was emphasised that the proposed structure outlined in the report was a starting point and would be reviewed in mid- 2019.

9. Financial update and Outturn.  
(LB-16-06-06-01) (LB-16-06-06-02) (LB-16-06-06-03)

Members have been circulated with a copy of the Parish Share returns spreadsheets for the months ending 30.4.16 and 31.5.16 and also an Outturn for month ending 31.5.16. Ashley Ellis spoke to this item.

Parish Share report May 2016

The parish share receipts were being paid at a similar rate to previous year with 30% collected. The Board were informed that the Finance Team and Stewardship Team would be supporting the episcopal areas in monitoring/encouraging payment of parish share. There were no questions on the Parish Share report.

Outturn May 2016

The Finance Advisory Group (a working support group for Ashley Ellis as Joint Diocesan Secretary in his role managing the diocesan finances) meets regularly to scrutinise the detail of the financial monthly reporting. This is a review of income and expenditure against the

Budget. The Outturn prepared for the Leeds Board meeting is not as detailed as the information provided to the Finance Advisory Group. The forecast deficit remained in line with the Budget at £1,203,405 (the Budgeted figure was £1,183,809).

10. Leeds Diocesan Board of Finance Annual Reports and Financial Statements 2015.  
(LB-16-06-07)

Members have been circulated with a copy of the Financial Annual Reports and Financial Statements for 2015 (LB-16-06-07), Audit Findings report (LB-16-06-07-01) and a draft letter of representation from the Board to the auditors (LB-16-06-07-02). Ashley spoke to this item.

Ashley explained that the 2015 Accounts were not comparable with the 2014 Accounts. There was more than one factor: in 2014 the company had only been “active” for 9 months; the accounting rules for the production of the statutory accounts had changed since the 2014 accounts. So the figures which appeared in the 2014 accounts had had to be re-visited and re-calculated in accordance with the new regulations to form the comparative figures in the 2015 accounts; and there had been a change in how pension liabilities are reported in the accounts. Previously they were shown as an expense but now were shown as future liabilities. So the £1.3m pension payment paid by the diocese during the accounting period covered by the accounts did not appear as a charge against income.

Stipendiary clergy post vacancies during the year had resulted in savings however the under payment of parish share almost balanced this out. There had been an increase in the value of held by the Board. After adjusting for the changed accounting treatment the year end result was effectively a deficit of £450,000 compared to a budgeted deficit of £750,000.

The Board discussed the Accounts and the following matters were clarified:

- The details for the Pension fund were contained in the Notes to the Accounts (pgs. 49-55) and pg. 42.
- Educational Developments Limited is a trading arm of Board of Education. It loans out expertise. Any surplus it makes is gift aided back to the Leeds DBF.
- The objective to have church buildings used once a week for an activity other than formal worship was aimed at encouraging a wider use of the buildings.

The Board’s audit findings report was brought to the attention of the Board.

The Chair proposed that the Board acknowledge receipt of the Audit Findings report (LB-16-06-07-01) and also that the Financial Annual Reports and Financial Statements for 2015 (LB-16-06-07), and the draft letter of representation from the Board to the auditors (LB-16-06-07-02) be approved.

Agreed unanimously.

11. Armley Deanery Schools Accounts.  
(LB-16-06-08-01) (LB-16-06-08-02)

The Leeds Diocesan Board of Finance is trustee of the Armley Deanery Schools charity as the successor of the Ripon and Leeds Diocesan Board of Finance. The Charity's Accounts were for approval by the Board. A copy of the Charity's Accounts for 2015 together with a copy of a letter to the Charity's Trustees from the Independent Examiners had been circulated to the Board. Ashley outlined that on the creation of the Diocese of Leeds the Leeds DBF became trustee of many separate bodies, replacing the three former DBFs in these roles. With regard to the Armley Deanery Schools charity the trustees of the Leeds DBF are the trustees.

It was proposed that the Armley Deanery Schools Accounts be approved.

Agreed unanimously.

12. Trusts and Funds

12.1 Armley Deanery Schools Trust – expenditure request  
(LB-16-06-09)

A copy of an expenditure request letter regarding the Armley Deanery Schools Trust had been circulated to the Board (LB-16-06-09). (Beeston Hill St Luke's C of E (VA) Primary School and Hunslet St Mary's C of E (VA) Primary School have been the recipients of a £20,000.00 grant from the Armley Deanery Trust for the past three years. The schools have since requested a continuation of the grant. The buildings group of the DBE recommended that the schools were awarded £20,000 (a maximum of £100,000) for a period of two years, or while the schools exist (if this was shorter), with the capacity to review at the end of the two-year period. The grant is to take effect from January 2016).

It was proposed that the request contained in letter LB-16-06-09 be approved.

Agreed unanimously.

12.2 Authority to approve future expenditure requests

Ashley reported that there were day to day expenditure requests to the various small trusts of which the Board's trustees were trustees. It would be more efficient (and in accordance with the governance model) if these request were considered and approved/rejected by the Finance Advisory Group, rather than being brought to the Leeds Board for approval.

After discussion the proposal for such expenditure requests to be considered and

approved/rejected by the Finance Advisory group was moved and agreed unanimously.

13. Budget 2017  
(LB-16-06-10)

Members have been circulated with a copy of the Draft Budget 2017. A Budget reconciliation paper (LB-16-06-10-01) has also been tabled. The Revd Martin Macdonald presented this item. The Budget 2017 took in to account the new Mission and Ministry proposals. It assumed a full parish share collection and 340 filled clergy posts. The Budget forecast a £2m deficit. It was noted that in preparing the Budget 2017 a cautious approach had been taken and so any potential receipts from the Church Commissioners fund were not included and also any future receipts from the current diocesan offices wasn't included.

After discussion the Board members approved the proposed Budget 2017 should be sent to Diocesan Synod for approval.

14. Leeds Diocesan Board of Finance Employees Staff Handbook.  
(LB-16-06-11)

Members had been circulated with a copy of the proposed Leeds Diocesan Board of Finance Employees Staff Handbook and an additional document also to be included in the handbook had been tabled (LB-16-06-11-01). Debbie Child spoke to this item. The Employees Staff Handbook comprises guidelines and procedures for employees and was for noting by the

Board. The additional document would be added to the handbook. Members have been asked to let Debbie have any questions before the meeting and none had been received.

Debbie was thanked for her work on the Staff Handbook.

15. Approval of items for the November Diocesan Synod agenda.  
(LB-16-06-12)

A list of proposed substantive items for the November Diocesan Synod meeting had been circulated to the Leeds Board and was discussed. In addition to the items on the list, it was agreed that time should be reserved for an item on Safeguarding and a possible item from General Synod arising from the "Shared Conversations". It was noted that for later Synods items on the constitution of the Board of Education, Communications and on ethics might be considered.

16. Diocesan Synod Agenda Sub-committee.

Ashley spoke to this item. It was proposed that a Diocesan Synod Agenda sub-committee, comprising the Synod Secretary and Synod Clergy and Lay Chairs be formed to attend to the detail of the Agenda –substantive items for the Agenda will continue to be considered and approved by the Board.

After discussion this proposal for a Diocesan Synod Agenda subcommittee was approved with the addition of a member of the diocese's General Synod members and it was proposed and approved that this be The Revd Canon Paul Ayers.

17. Wellsprings (Bradford) Limited – nomination of Director.  
(LB-16-06-13)

A paper had been circulated to the Board with details of the Wellsprings (Bradford) Limited charity. The Leeds Diocesan Board of Finance has the power to appoint three directors to the Board. A vacancy has occurred and it is now proposed that the Board appoint the Bishop of Bradford as one of its directors.

Agreed unanimously.

18. Any other business.

There was no other business.

19. Close

The Bishop of Leeds closed the meeting in prayer.