

Private & Confidential

MINUTES of a meeting of the ST ALBANS DIOCESAN SYNOD held at Putteridge Bury on SATURDAY 14 OCTOBER 2023

The Synod convened at 0930 with the Bishop of St Albans in the Chair.

1. PRAYERS were led by The Revd Dr Peter Waddell (Watford Deanery).

2. PRESIDENTIAL ADDRESS

The Bishop addressed the Synod and a copy of his Address is attached to the original Minutes. The Address may be found on the Diocesan website [here](#).

3. MINUTES

The Minutes of the meeting of Synod held on Saturday 17 June 2023, which had been previously circulated, were confirmed and signed by the President.

The Minutes were ACCEPTED with ONE abstention.

4. ANNOUNCEMENTS AND BUSINESS ITEMS

The Diocesan Secretary drew attention to vacancies for lay members of the Vacancy in See Committee and clergy members of the Diocesan Board of Finance and explained the nomination and election processes.

The President noted those people who had recently joined or left the Diocese, taken up new roles within the Diocese, retired or died.

5. PROMULGATION OF AMENDING CANON NO.42

The Diocesan Secretary proclaimed the Amending Canon No 42 (provision of DSOs) as an Act of Synod (DS/23/07).

6. APPROVAL OF DEEDS OF DELEGATION FOR SUFFRAGAN BISHOPS

Under section 13 of the Dioceses, Pastoral and Mission measure 2007, the Chair moved:

"That this Synod approves the new Deeds of Delegation for Suffragan Bishops, as set out in paper (DS/23/08)".

The Motion was PUT and CARRIED unanimously.

7. ELECTIONS TO DIOCESAN SYNOD IN 2024

On behalf of the Bishop's Council, the Chair moved:

"This Synod agrees that for the purposes of the elections to the Diocesan Synod in 2024, there shall be no change in the number of members from that used previously, as set out in paragraph 2 of (DS/23/09)."

The Motion was PUT and CARRIED unanimously.

8. QUESTIONS

Two questions had been received as set out in paper (DS/23/10). The response was covered under Agenda Item 8.

One supplementary question was asked, and reply made, as set out below:

With reference to the First Notice Question (DS/23/10) Canon Peter Adams (Luton Deanery) went on to ask the following supplementary question:

Would you be able to tell us how the Diocese will take forward its own attempts to understand to understand and learn from all that has happened? I ask that in light of my understanding of the individual case rather than the progress of what has emerged.

In response to the supplementary question, The Bishop of St Albans thanked Peter Adams for the question and confirmed that the Diocese would deal with the process as objectively and transparently as possible: Bishop Alan would bring a paper to Bishops Council following the resolution of the CDMs, giving options and recommendations for review.

There were no further supplementary questions.

Chair: Reverend William Gibbs, Chair of the House of Clergy, assumed the Chair

9. GROWING YOUNGER AND MORE DIVERSE

On behalf of the Bishop's Council, and, with the Chairman's permission under Standing Order No. 4, the Bishop of Hertford, gave a brief presentation.

10. DIOCESAN COMMON FUND BUDGET AND STIPEND LEVELS 2024

With the Chairman's permission under Standing Order No. 4, the Chairman of the Diocesan Board of Finance and the Diocesan Director of Finance gave a presentation.

The Chairman of the Board's comments are attached as an appendix to these minutes.

At the request of the Bishop's Council and on behalf of the Diocesan Board of Finance, Mr Colin Bird, as Chairman of the Board, moved:

"That this Synod, noting the recommendation from the Central Stipends Authority that the stipend for this diocese be increased by 5% from 1 April 2024, resolves that the stipends for incumbents and those of incumbent status in this diocese should rise by £1,484 (5% of £29,689) to £31,164 from 1 April 2024."

Questions were raised by: Reverend Dr Peter Waddell (Watford Deanery), Reverend Linda Klimas (Amphill and Sheffield Deanery) and Reverend John Hookway (Hertford and Ware Deanery). Responses were made by the Bishop of St Albans, Kerry Smith (Dunstable Deanery) and Colin Bird (DBF Chair).

The Motion was PUT and CARRIED with FOUR abstentions.

Mr Colin Bird, Chairman of the St Albans Diocesan Board of Finance, moved:

“That the estimates of requirements of the Diocesan Common Fund in 2024 in the gross sum of £16,538.655 be approved, and that the Synod authorises the Diocesan Board of Finance to spend in accordance therewith a sum not exceeding £16,538,655 and that the sum of £14,423,000 be requested as parochial contributions in 2024, to be apportioned in accordance with the approved Parish Shares Scheme.”

Questions were raised by: Canon Peter Adams (Luton Deanery), Reverend Isaac Pain (Bedford Deanery)

The Motion was PUT and CARRIED with THREE abstentions.

A copy of paper **(DS/23/11)** had been circulated. The closing remarks from Colin Bird, Chairman of the St Albans Diocesan Board of Finance, are attached as an appendix to these minutes.

There was a vote of thanks to Colin Bird, who would be retiring as Chairman of the St Albans Diocesan Board of Finance at the end of the year.

11. NET ZERO CARBON ACTION PLAN UPDATE

On behalf of the Bishop's Council and with the Chairman's permission under Standing Order No. 4, the Diocesan Secretary and Tom Abraham, Net Zero Carbon Officer, gave a presentation.

There was an opportunity for discussion and feedback.

A copy of paper **(DS/23/12)** had been circulated.

12. PARISH GRANT SCHEME UPDATE

On behalf of the Bishop's Council and with the Chairman's permission under standing Order No. 4, the Diocesan Secretary gave a presentation.

13. DIVERSITY AND RACIAL JUSTICE ACTION PLAN UPDATE

On behalf of the Bishop's Council, the Bishop of Bedford and, with the Chairman's permission under Standing Order No 4., Jacob Kurien, Diocesan Racial Justice Action Group Chair and Reverend Guy Hewitt, Racial Justice Director, The Church of England, gave presentations.

There was an opportunity for discussion. Questions were raised by: Reverend Anthony Rindl (Watford Deanery), Reverend David Kesterton (Luton Deanery), Reverend Stefan Chrysostomou (Barnet Deanery), the Bishop of Bedford. Responses were made by: Reverend Guy Hewitt (Racial Justice Director), Jacob Kurien (Diocesan Racial Justice Action Group Chair) and the Bishop of Bedford.

The Bishop of St Albans thanked everybody for their contributions and dismissed the Synod with prayers at 13.03.

DIOCESAN SYNOD 14 OCTOBER 2023

ITEM 10 – DIOCESAN COMMON FUND BUDGET AND STIPEND LEVELS 2024

COMMENTS FROM THE CHAIRMAN OF THE BOARD OF FINANCE

Introductory remarks

Before you is a relatively straightforward 2024 budget – stipends/salaries up 5%, Parish Share up 1%

As one of our groups at the treasurers' roundtables said – pleased the increase is only 1% in the current inflationary climate.

But it masks some pretty substantial issues:

- The level of support coming from the adoption of Total Return as an investment policy
- The level of vacancies, driven by the market rather than policy
- The impact of inflation on parishes costs (especially energy)
- Impact of the Net Zero commitment on future funding levels both at Diocesan level (largely parsonages) and parish level (churches and halls)
- The impact of declining membership on parishes' ability to pay.
- The level of funding for activities outside the Common Fund

I'll come back to some of these issues at the end of the session – they will have a big impact going forward i.e. on future budgets.

In the meantime, we need to focus on 2024.

Pre resolutions remarks

So...Glyn has given you the details. One of the big wins in this budget is that it addresses the cost per member (an increase of 5%) which moves us away from simply looking at the absolute cost and parish share increases. Given the trends we are looking at, future years will have to focus ruthlessly on this statistic, otherwise the level of unpaid parish share will simply go up, creating deficits which will have to be funded out of reserves – a slippery slope.

We could stop there...

But it would be remiss of me, in my last remarks to you in my position as the Chair of the Diocesan Board of Finance, not to talk a little about the challenges likely to face future Synods: -

Our Total Return investment policy has put £700K per annum extra into our Common Fund. In each of 2023 and 2024 we expect to allocate £500K to grant schemes to help parishes grow and to provide seed funding for Net Zero Carbon projects. (David White will update you later). I hope that over this Triennium in excess of £1.5m will be available from this change in policy. This is really important.... of course, we could have put it all into the budget and actually reduced the parish share, but that's not the right answer when our growth and NZC strategies have to be given some funding to succeed. But I accept that this is a difficult balancing act.

If we had budgeted vacancies at historic levels (i.e., 8%) the budget would have needed a 4% increase in Parish Share. 10% on the cost per member. Budgeting vacancies at lower levels than actually being experienced simply means we would be budgeting to pay more priests than we actually have, and therefore the parish share goes up, but the costs don't. For some years gone by, we have accepted that this approach funds the shortfall in collections and gave us a break-even result – but it avoids taking the right management action to control costs. Effectively we were overcharging parishes that paid to deal with those that couldn't. I'm pleased that we are moving away from this and accepting a more realistic and transparent approach. But the issue on the table is that if we do not accept a higher vacancy rate compared to historic levels, we won't be able to afford the extra cost.

Final comment

Any organisation that increases its cost base year on year but does not grow its revenues, will, in the end hit the buffers. It may take a long time but if this carries on, we will be selling parsonages to meet operating costs – which really is the slippery slope. I would urge the closest look at the cost base. This needs to adapt to the ability of the parishes to pay. This means, in my view that our approach to parochial mission has to adapt. I expect changes will be forced on us over the next Triennium, which is why I am standing down as Chair to give the next Chair a full run for the next 4 years,

With that, I say my farewell as the Chair of the Board of Finance