

THE CHURCH OF SCOTLAND
COUNCIL OF ASSEMBLY
15 October 2018

MINUTES

The Council of Assembly met within the Church Offices, Edinburgh, on Monday 15 October 2018, and was constituted with prayer. A list of those attending is attached to this Minute as Appendix I.

37. WELCOME AND APOLOGIES

The Convener welcomed John Dent, attending for the Convener of the Ministries Council; Craig Renton, attending for the Secretary of the Ministries Council; and Ian Wauchope attending for the Secretary of the Social Care Council. Apologies were noted. Members were advised that the Convener had sent a card and best wishes on behalf of Council to the Council Secretary who had recently been in hospital.

38. AGREE AGENDA

The Agenda for the meeting was agreed.

39. DECLARATIONS OF INTEREST

There were no new declarations of interest.

40. MINUTES

The Minute of the Council meeting held on 17 September 2018 (COA2 (2018-2019)) was approved with minor amendment.

41. MATTERS ARISING

41.1 Commission of the General Assembly (Min 21)

A Commission of the General Assembly met on 3 October and agreed to set up a Special Commission of five people to review the charity governance structures of the Church of Scotland as well as make recommendations on national structures. The Convener, Vice-Convener and Acting Council Secretary were invited to join a meeting of the Special Commission on 1 November.

41.2 Social Care Council (Min 23.1)

A Council of Assembly representative was sought to sit on the working group which was coordinating a whole church celebration of 150 years of provision of social care. A business case for funding the celebrations would be produced for the Finance Group consider.

41.3 Review of Reporting Process (Min 23.5)

It was anticipated that the review of the reporting process for Councils would be progressed ahead of the November Council meeting.

41.4 2018 Financial Forecast and Mission and Renewal Fund (Min 28.8a)

The General Treasurer had consulted with the Church Solicitor and confirmed that it would be competent to move funds to allow Councils, Committees and Departments to financially support one another.

42. DISTRIBUTION OF PAPERS FOR MEETINGS

The Convener indicated that papers would no longer be sent by post prior to Council meetings. Members were asked to access papers electronically before and during meetings. A set of papers would be printed and tabled at meetings only for those members who requested them. In addition the catering options for meetings would be reduced. Council was content with the changes and noted that these cost savings and efficiencies would also apply to the sub groups and committees of the Council.

43. RADICAL ACTION PLAN

A Project Team had been established and meets weekly in order to deliver the Radical Action Plan. The Presbytery Conference, on 31 October to 1 November, would include presentation of the theme of *'Follow Me!'* as well as development of the identified work streams. A report from the Project Team, with further details of framework and outcomes, would be brought to the November Council meeting. It was recognised that the Special Commission was looking at governance and structures. Concerns were expressed for the delays in progressing this piece of work.

Membership of the work streams would be from across the Councils, Committees and Departments. The current practice of multiple independent initiatives being run by the national structures would need to cease in order to give precedence to this coordinated piece of work. The General Assembly has vested authority with the Trustees to consider the priorities for funding and to take decisions to address the issues with the budget. The Project Team had discussed base line data gathering in order to support decision making.

The Convener confirmed that social care aspects of the church would continue to be considered whilst acknowledging that CrossReach has an independent operating model and services, vital to its current operating model.

44. TRUSTEES' MEETING

The discussion which took place under this item is contained in a Record Apart.

45. COUNCILS' BUSINESS**45.1 World Mission Council**

John Chalmers explained that the Safeguarding Service had been informed of a child protection issue. The Governance Group was aware of the situation and there would be ongoing conversations with the Communications Department.

It was noted that a review of the presence in Tabeetha was to be instituted.

The membership of the board of the Scots Hotel was being reviewed and it was hoped that someone with a Church of Scotland background and with knowledge and experience of hotel management would be recruited.

It was anticipated that a succession trust in Pakistan would be in place by the end of the year.

45.2 Panel on Review and Reform

Jenny Adams requested that discussions around the principles of the Ministries and Mission system should sit with the finance work stream as part of the *'Follow Me!'* programme as well as the Council of Assembly Finance Group.

46. FINANCE**46.1 Management Accounts to 31 August 2018**

The General Treasurer reported that there was an unfavourable variance of £1.3m against the budgeted deficit for the first eight months of 2018. Unrestricted legacies were below budget and it was noted that there was no strategy in place for legacies.

The Finance Group was in discussion with Social Care Council and was aware of the ongoing issues.

There had been additional spend on the HR/Payroll Project for having consultants on site to train staff. The Project Team, supported by NorthgateArinso (NGA), would consider the future requirements.

46.2 National Office Buildings Project

The Convener, the Vice-Convener and the Acting Council Secretary met with David Robertson, Secretary and Clerk to the General Trustees, to talk through the ongoing objectives and tasks for the project.

Raymond Young reported that the General Trustees had questioned the level of work which should be carried out on the Church Offices pending the report of the Special Commission. It was agreed that work would continue in order to have due diligence to report to the General Assembly. However, the work should be done without any additional significant spend. There was a backlog of maintenance to be done and details of essential building works would come to the December meeting of the Finance Group and then to the Council of Assembly. An update report would be provided for staff at the appropriate point and under advisement from the Head of Human Resources.

46.3 Tender for External and Internal Audit Services

Firms were invited to present to a panel made up of representatives of The Investors Trust, General Trustees and Unincorporated Councils and Committees (including CrossReach). Council approved the recommendation of the panel to appoint RSM UK as external auditors.

Furthermore, Council approved the recommendation of the panel to appoint Scott-Moncrieff as internal auditors with effect from early 2019. It was noted that in the interim period Scott-Moncrieff would be asked to increase their knowledge and understanding of the operations and risks connected with CrossReach.

The General Treasurer confirmed that consideration would be given to the possibility a tendering exercise next year for audit work in relation to Israel.

46.4 Back to Back Loan

John Chalmers reported that the Back to Back Loan would be discussed at the upcoming World Mission Council meeting and details would be brought to the Finance Group and thereafter to Council of Assembly for approval.

46.5 Pensions

The revised remit for the Pensions Forum was received. It was noted that the Forum would bring together stakeholders to discuss and share views on the future strategy for the three closed Defined Benefit Schemes. Council supported an amendment suggested by the Solicitor for the wording of the remit read 'ensure that appropriate financial and other implications regarding the Unincorporated Councils and Committees and particular councils, as Employing Agencies, is being shared with the Pension Trustees'. The Finance Group would continue to have sight of forum minutes and the remit would be monitored and reviewed.

46.6 Investment Principles/Ethical and Social Governance (ESG)

Representatives of the Church and Society Council were invited to attend the October Finance Group meeting where discussions included investment principles and ESG. It was noted that there was a need to revise and develop the current statement of principles and the importance of the issues was recognised. The Finance Group had previously agreed not to

recommend the creation of an ESG Officer post and the Council Secretary (Church & Society) would re-evaluate the existing staff resource in this area in consultation with the General Treasurer.

47. GOVERNANCE

47.1 Report of Governance Group

The Convener shared details of a written update received from John Corrigan who submitted his apologies for the meeting.

- a) Safeguarding: The extent of the risk around PVG membership and Safeguarding Training provision was being explored and these topics would be included as part of the report to Council by the Safeguarding Committee in November.
- a) Data Protection: A paper setting out responsibility for GDPR compliance by Presbyteries and Congregations was produced by the Solicitor and would be made available to Council members via the portal.
- b) Trustees Code of Conduct and UCC Conflict of Interest Policy: The Governance Group had been asked to review the Code of Conduct for Voting Members of the Council of Assembly as Charity Trustees (revised February 2013) in order to reflect the UCC Conflict of Interest Policy (June 2017) which was also due to be revised. Any proposed amendments would be brought to the Council in due course.

48. CENTRAL SERVICES COMMITTEE

48.1 Report of Central Services Committee

The Central Services Committee met on 11 October 2018 and discussed a draft response to Pension Trustees who sought views of the Employing Agencies on the most effective and efficient structures for trustee oversight and administration of the closed funds. Future IT requirements were also discussed.

48.2 Report of the CSC Executive Committee (Staffing)

Seven posts were presented for consideration at the CSC Executive Committee (Staffing) meeting on 11 October. A representative from the relevant Council or Department was asked to attend the meeting to explain how the posts were business critical.

49. SENIOR MANAGEMENT TEAM

There was to be no spending outwith agreed budgets and this was being monitored. Details of conferencing expenditure were provided for the Senior Management Team and it was noted that options for centralised procurement were being explored. In planning and budgeting for future conferences and events there should be consideration of reducing the number of events where possible as well as other potential efficiencies and savings. Video or audio technology could be a viable option particularly for smaller meetings. The breakdown of conference expenditure would be made available to Council members.

The Senior Management Team was supportive of a suggested amendment to the Procurement Policy. Council agreed that contracts of £5k or greater should be passed in to the Legal Department for approval. This would be an increase from the current figure of £1k.

50. DATE OF NEXT MEETING

10.30am, Monday 19 November 2018.

The Meeting was closed with Prayer.

APPENDIX I

COUNCIL OF ASSEMBLY

15 October 2018

Sederunt:

Jennifer Adams
Ian Alexander
Sally Bonnar
David Brackenridge
Derek Browning
John Chalmers
Alistair Gibb
Isobel Hunter
Martin Johnstone
Anne Lamont
Elaine McCloghry
Anne Macintosh
Mary Macleod
Ruth MacLeod
Angus Mathieson
Norma Rolls
Norman Smith
Alan Sorensen
Bill Steele
David Watt
George Whyte
Ronald Wright
Raymond Young

Apologies:

John Corrigan
Viv Dickenson
Alison Fenton
Richard Frazer
Neil Glover
Andrew McGowan
John McPake
Jayne Scott
Martin Scott

In Attendance:

John Dent
Carron Lunt
Craig Renton
Ian Wauchope