

THE CHURCH OF SCOTLAND
COUNCIL OF ASSEMBLY
9 April 2018

MINUTES

The Council of Assembly met within the Church Offices, Edinburgh, on Monday 9 April 2018, and was constituted with prayer. A list of those attending is attached to this Minute as Appendix I.

100. APOLOGIES

Apologies were noted.

101. DECLARATIONS OF INTEREST

It was noted that Angus Mathieson was a Director of the Iona Community and that Martin Johnstone had been appointed to the Scotland Committee of the Big Lottery Fund though not as a trustee.

102. AGREE AGENDA

The Agenda for the meeting was agreed.

103. ANNUAL ACCOUNTS AND TRUSTEES' REPORT 2017

Bob Cowan, Deputy Treasurer, joined the meeting for this item and spoke to the draft Annual Accounts and Trustees' Report. He indicated that a number of additional notes had been incorporated in order to comply with the Charities Statement of Recommended Practice.

The Council noted that the external auditors, PwC, had given an unqualified opinion following visits to the Church Offices and to Charis House. David Watt confirmed that the 2017 Accounts were consistent with the regular management accounts presented to the Finance Group and the Council. Grant Macrae confirmed that the Audit Committee had also reviewed the Accounts and Trustees' Report and was content. The Council discussed whether it should also seek a formal letter of comfort from the Stewardship and Finance Department, but concluded that appropriate enquiries had been made of the finance team throughout the process, through the Finance Group and Audit Committee, to satisfy the trustees.

The Council approved the Trustees' Report and the Annual Accounts, and granted permission to the Convener to sign the Accounts and the Letter of Representation on behalf of the Trustees.

104. AUDIT COMMITTEE

Grant Macrae, Convener, Audit Committee, was welcomed.

104.1 Minutes of Audit Committee

The Council received the Minutes of the Audit Committee meeting of 30 January 2018 (AC3 2017-18).

104.2 Report of Audit Committee

Grant Macrae presented the Audit Committee's report which set out its main activities during the 2017-2018 session covering both the internal and external audit functions.

It was noted that the Committee was concerned to ensure that proper arrangements were in place for a consistent application of General Assembly instructions and civil legislation in areas such as safeguarding, particularly in the light of OSCR's recent circular to charities. Whilst the General Assembly was responsible for ensuring that its instructions were implemented, the Trustees of the Unincorporated Councils and Committees of the Church were responsible for compliance in relation to charity law. The Convener highlighted that the Council had asked the Solicitor to prepare a paper considering the complexities of the Church structures and the potential implications in terms of liability and risk, and that this was being progressed. These matters were also to be considered in forthcoming trustee training sessions. It was noted that the Principal Clerk was liaising with Presbyteries to try to ensure that safeguarding matters were being properly addressed within the regional structures. The Secretary spoke of the need for better and earlier communication across the organisation, including between senior staff and Conveners, particularly in relation to those matters carrying reputational risk.

It was noted that the Committee had invited the Convener of the Word Mission Council to attend its next meeting in order to discuss particular recommendations coming out of the internal audit review of the Middle East governance and management arrangements. The Council noted that the Audit Committee was concerned to ensure that control weaknesses which were identified through internal audit reviews across the organisation were addressed. It was suggested that, for next year's report to the Council, the Committee might highlight key exceptions.

It was agreed that a protocol on deputising should be drafted by the Secretary for consideration at the next meeting, in order to ensure that each of the main Councils was appropriately represented at every meeting of the Council of Assembly in the interest of good governance.

With regard to the Scheme of Delegation, it was noted that this work was being progressed by the Head of Organisational Programmes and a solicitor from the Law Department, with a view to completion in August.

The Convener expressed thanks to the Committee for its ongoing work on behalf of the Church and wished Grant Macrae well as he approached the end of his convenership.

105. BUDGET 2019

The Council considered the Indicative Budget 2019. The Council discussed the Finance Group's view that additional income of £500k should be raised by reducing the Presbytery Allowance by 1%, rather than by increasing the scales used to collect congregational contributions. A range of views were noted. The Council then concluded that the Presbytery Allowance should be maintained at the current level of 5% in order to encourage creativity, and that congregational contributions should be raised taking into account increasing ministry costs.

The Council agreed the Budget for transmission to the General Assembly, noting that the detailed 2019 Budget was due to be agreed by the Council in December 2018.

106. FINANCE

106.1 Minutes of Finance Group

The Council received the draft Minutes of the Finance Group meeting of 28 March (FG7 (2017-2018)).

106.2 Stewardship Report

The Council considered a report on stewardship following the recent review of this work. The report was agreed, with a summary to be incorporated into the Council's Supplementary Report to the General Assembly.

107. GENERAL ASSEMBLY SUPPLEMENTARY REPORT

Following minor revision, the Council agreed the draft Supplementary Report, taking into account the agreed changes to the Indicative Budget 2019 and the incorporation of the Stewardship section.

108. WORDS OF THANKS

The Convener expressed words of thanks to those whose membership of the Council was concluding at the General Assembly, namely Russell Barr, Catherine Coull, Iain Cunningham and Graham Duffin.

109. REPORTS FROM COUNCILS**109.1 Ministries Council Presentation**

Jayne Scott spoke to the written update on the current work of the Ministries Council, highlighting current priorities and risks.

Members noted that discussions were going forward with a number of partner organisations in relation to future funding and the setting of related criteria. (Martin Johnstone left the meeting for the remainder of this item in light of his position as a Director of Faith in Community Scotland which was a grant-receiving partner organisation.) It was suggested that greater use of Service Level Agreements be considered in relation to such arrangements. David Watt reported that external grants amounting to £4.8m were made by the Church in 2017. The Council asked the Finance Group to provide a list of grants paid for consideration at the next meeting. The General Treasurer indicated that the Annual Accounts and monthly management accounts would be more transparent in relation to grants going forward.

109.2 Social Care Council Presentation

Members noted the written update from the Social Care Council. The Council had concluded its review of its central services which had highlighted the key priorities of sustainability and being fit for purpose. An action plan was being developed to reflect the findings and to ensure that resources could be accurately deployed.

It was noted that quality issues referred to in the report related to system failings, not quality of care, and that these would be rectified quickly.

The difficulty of recruiting within the care sector was an ongoing challenge for CrossReach which currently had 100 FTE vacancies. This impacted on HR and budgets, with agency costs continuing to be high.

109.3 Church and Society Council

Martin Johnstone reported that the Church and Society Council was intending to ask the General Assembly to appoint a Commission on the long-term future of the NHS in Scotland, seeing this as an area which linked into the work coming out of the *Speak Out* campaign. It was envisaged that this work would be done ecumenically and externally supported and funded.

109.4 Mission and Discipleship Council

It was noted that an elders' conference taking place at the end of the month was well-subscribed.

110. PROPERTY SALES AND PURCHASES

The Council approved in principle for the lease and possible subsequent purchase of two houses in line with previous decisions in relation to the reconfiguration of the Social Care Council's Education service. The properties would be leased initially with an option to purchase after three years.

111. PURCHASING AND PROCUREMENT POLICY

The Council considered a draft Purchasing and Procurement Policy which was intended to maximise the benefit from UCC resources whilst minimising risk. The Policy described how the UCC would procure the necessary works, goods and services required to carry out its operations. The Policy would apply across the UCC, with the exception of CrossReach which had a corresponding and complementary policy in place; it was agreed to amend the document to reflect this point. The Policy was then agreed, to come into effect on 1 June 2018. Raymond Young indicated that he would inform the General Trustees of this matter.

112. GOVERNANCE**112.1 Minutes of Governance Group**

The Council received the draft Minutes of the Governance Group meeting of 12 March (GG5 (2017-2018)).

112.2 Report of Governance Group

With regard to GDPR, Catherine Coull highlighted that two documents coming out of the Group's consideration of this matter had been placed on the portal for Council members' information. It was noted that a new Data Protection Policy was being drafted and would be submitted to the Council from the Group following its next meeting.

The Council agreed to appoint the Solicitor as the Church's Data Protection Officer on an interim basis to ensure that an appointment was in place by 25 May. This arrangement would be reviewed in six months' time.

112.3 OSCR Letter – Follow-Up Report

It was noted that this report would be submitted to the June meeting of the Governance Group, if available, and would then come to the Council for consideration.

113. SUB GROUP MEMBERSHIP

The Convener sought the Council's agreement for John Corrigan to serve as Convener of the Governance Group from June 2018. This was agreed. It was noted that Catherine Coull may be invited to continue to serve on the Group as a co-opted member for a period of one year in light of her legal background.

114. CENTRAL SERVICES COMMITTEE

The Council received the draft Minutes of the CSC Executive (Staffing) Committee meetings of 12 February (CSC Exec5) and 12 March (CSC Exec6).

115. MINUTES

The Minutes of the Council meetings held on 19 February (COA5) and 19 March 2018 (COA6) were approved.

116. MATTERS ARISING**116.1 World Mission Council (Min 77.2)**

Isobel Hunter sought clarity in relation to the *Let Us Build A House* Project, noting that the money given to this Project had been used to train local people in Nepal to build schools. It was agreed to seek clarification on this at the next meeting.

116.2 Action of Churches Together in Scotland (ACTS) Review (Min 96)

The Council noted that there was no progress to report in relation to the review of ACTS. Members were reminded that the Church of Scotland's financial contributions to this body for the third and fourth quarters of 2018 had been withheld pending the outcome of the review.

117. SENIOR MANAGEMENT TEAM

It was noted that the SMT had met on 26 March.

118. COMMUNICATION

Alistair Gibb sought a report on the work being taken forward by the Very Rev Albert Bogle in his appointment to a digital ministry. The Council noted that this appointment was made and paid for by the Presbytery of Falkirk and did not have any formal link to the national Councils of the Church. Members recognised the developing nature of this work, and agreed that more thought should be given to enabling, supporting and resourcing such developments.

119. CHARITY TRUSTEE TRAINING

It was noted that two dates were now scheduled for trustee training, and members were encouraged to sign up for one of these. Raymond Young indicated that there may be a number of General Trustees who would be interested in attending, and the Council extended an invitation to them also.

120. DATE OF NEXT MEETING

10.30am, 18 June 2018.

The Meeting was closed with Prayer.

APPENDIX I

COUNCIL OF ASSEMBLY

9 April 2018

Sederunt:

Sally Bonnar
David Brackenridge
John Corrigan
Catherine Coull
Viv Dickenson
Alistair Gibb
Isobel Hunter
Martin Johnstone
Anne Lamont
Elaine McCloghry
Andrew McGowan
Anne Macintosh
Mary Macleod
Angus Mathieson
Norma Rolls
Jayne Scott
Martin Scott
Alan Sorensen
Bill Steele
David Watt
George Whyte
Ronald Wright
Raymond Young

Apologies:

Ian Alexander
Russell Barr
Iain Cunningham
Graham Duffin
Richard Frazer
Neil Glover
Ruth MacLeod
John McPake
Norman Smith

In Attendance:

Bob Cowan (*items 100-104*)
Grant Macrae (*items 100-104*)
Pauline Wilson