

21. Trustees for Methodist Church Purposes

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Subject and aims	This report provides a brief overview of the service and work undertaken by the Trustees for Methodist Church Purposes (TMCP) in its role as Custodian Trustee and in support of Managing Trustees across the Connexion.
Background context and relevant documents	To be read in conjunction with this Report please see TMCP's website: www.tmcp.org.uk/about/publications for a full copy of the Trustees Report and Accounts for the year ended 31 August 2024.

SECTION A: GENERAL REPORT

1. Mission Statement, Governance and Key Roles

1.1 Mission Statement and Governance

The purpose of the Board (TMCP) is to serve the Methodist Church in the advancement of the Christian faith in accordance with its doctrinal standards and discipline, and any charitable purpose of the Methodist Church or Church organisation.

Our mission is to serve the Methodist Church

Our mission is to support and strengthen the Methodist Church, both by providing practical support to Managing Trustees and by working closely and effectively with our colleagues in the Connexional Team.

We aim at all times to:

- Work within an ethical and Christian framework.
- Perform our role to the highest standard.
- Act with integrity and patience.
- Listen carefully and communicate effectively.
- Value and nurture the talents of those within the organisation.
- Work efficiently and effectively within the confines of available resources.

1.2 Our Vision and Goals:

Our Vision is:

- To continue to fulfil our principal duty to act as Custodian Trustee of all properties held on model trusts of the Methodist Church Act 1976, to better support the Methodist Church in achieving its mission.
- To provide a comprehensive role as the corporate body of the Church.
- To continue with our specific areas of specialism such as sharing agreements, trusts and data protection (GDPR).
- To ensure that the TMCP team is utilised in the most effective and efficient way, while still maintaining clarity about TMCP's particular role within the Connexion.

Our Goals are:

- To streamline all processes through collaboration with our colleagues across the Connexion and their advisers.
- To fulfil our responsibility to Managing Trustees through ongoing guidance and training.
- To provide appropriate and adequate assistance to the Methodist Connexion.
- To ensure that resources match the need now and on an ongoing basis.
- To support our staff in their ongoing training and development

In partnership we seek to help and support Managing Trustees across the Connexion to build a sustainable mission-led future.

1.3 Structure

The Board is a corporate body and was incorporated by the Methodist Church Act 1939. Our governing documents are the 1939 Act, our Trust Deed of 1939 and the Methodist Church Act 1976. The Board is served by four sub-committees: the Executive, Audit and Risk Committee, Grants Committee and Investment Committee.

1.4 Board members

Our Board members are members of the Methodist Church, appointed by the Conference on the nomination of the Board. As far as possible the Board comprises equal lay and ministerial members. Nominations are assessed in terms of experience, skills and expertise. A skills audit is performed annually by the Chair in consultation with all Board members. Board members represent a cross-section of Church Officers and Church members. A list of current Board members is available from TMCP's website: <https://www.tmcg.org.uk/meet-the-team> and can also be found in Section B of this report.

1.5 Working together with Managing Trustees

There are a number of different aspects to our work at TMCP, but a key part is guiding the Managing Trustees through the potential pitfalls of Charity Law, Methodist Law and other legislation. We also have oversight of the General Data Processing Regulations (GDPR) across the Connexion.

One of our primary aims is to guide and assist Local Churches so that they can engage more fully, and safely, in resourcing mission and ministry.

TMCP are the custodian trustees for all property held on the Model Trusts of the Methodist Church Act 1976 (except for that in the Channel Islands or the Isle of Man which are held by their own boards of trustees) and this includes nearly all of the property held by over 3,600 Local Churches, 324 Circuits and 29 Districts (as at 31 August 2024).

The Board is also custodian of the funds held in 5,262 trusts, a small number of which are under the direct management of the Board. Discretionary grants are given from these in accordance with the terms of the trusts.

It is important to distinguish our role as custodian trustees from that of Managing Trustees:

<u>TMCP as Custodian Trustee:</u>	<u>Role of Managing Trustees:</u>
• We hold legal title. • We have a duty to ensure Managing Trustees do not act in breach of trust. • We do not get involved in the day-to-day management.	• Managing Trustees are responsible for the day to day management of the property. • Managing Trustees exercise power or discretion in respect of the property in accordance with charity and Methodist law.

The activities of the Board include, but are not limited to:

- Effecting all sales, purchases and leases of property by Church bodies, checking legal documents before signature by Managing Trustees.
- Investing funds received from sales or bequests and transmitting funds for purchases or to meet the cost of projects as instructed by Managing Trustees
- Fulfilling any other duties or responsibilities required of, or appropriate for, the corporate body acting on behalf of the Methodist Church.

Partnership working remains at the heart of what TMCP does.

1.6 Working together with the Connexional Council (previously Methodist Council)

The Service Level Partnership Agreement, originally finalised and signed by the Methodist Council and the TMCP Board in July 2020, continues to underpin and maintain transparency and accountability in respect of the services TMCP provides across the Connexion.

Under Standing Order 931(3) the Connexional Council has delegated to TMCP the role of inspecting and approving contracts. In addition, the Connexional Council may instruct TMCP to undertake additional work.

The Service Level Partnership Agreement guides the relationship between the Board and the Connexional Council, outlining the protocols and parameters within which both will work. The intention is to promote collaboration and maintain efficient and effective working relationships. The Agreement helps optimise the support offered to Managing Trustees, ensuring a high quality of service which is outcome-focused.

The Connexional Secretary and the Executive Director of Finance and Resources, together with the Chair and Chief Executive of TMCP, continue to hold half-yearly meetings, primarily to complete the necessary periodic review and monitoring.

1.7 TMCP as a Corporate Body

TMCP has corporate status, and it has been found to be useful as a vehicle beyond trusteeship as such, where certain legal functions need to be vested in a corporate person, rather than a group of individuals. Examples of where TMCP's corporate role has been of benefit to the Methodist Church include holding shares in Methodist controlled trading subsidiaries, entering into the Framework Agreement and management of the Panel of Solicitors on behalf of the Methodist Church.

1.8 General Data Protection Regulations (GDPR)

TMCP continues to act as the Data Controller for all Local Churches, Circuits and Districts (who are deemed to be the "Data Processors" ie the people who deal with data/information on behalf of the Methodist Church).

Under a separate registration the Connexional Team is responsible for all data protection matters concerning safeguarding, complaints and discipline issues for the whole Methodist Church.

TMCP and the Connexional Team work together to provide data protection resources to the wider Connexion, including precedent documents, policies, practical guidance and frequently asked questions. TMCP continues to hold online forums with District Data Champions to keep them fully informed on current developments in Data Protection and to provide support and guidance as needed.

As Data Controller, TMCP and its auditors require assurance from the Local Churches, Circuits and Districts that all necessary GDPR processes are being adhered to. In order to obtain such assurances, and on the recommendation of its Internal Auditors, TMCP introduced an Annual Checklist. This is completed by local Managing Trustees each year, with a deadline for submission being 31 May. The Annual Checklist is reported back via the Circuit and District who collate the returns to confirm that the Managing Trustees are fulfilling their responsibilities under Data Protection legislation.

1.9 Working Together with the Methodist Church and Partners

TMCP puts Managing Trustees at the centre of all it does and it has close working relationships with many parts of the Methodist Church and its partners to achieve this aim.

Key stakeholders include:

- Managing Trustees, including the Connexional Council
- District Chairs
- District Property Secretaries
- Circuit Superintendents
- District, Circuit and Church Treasurers
- Connexional Conference Office and Property Support Team

- Panel Solicitors
- External Solicitors and Surveyors
- Central Finance Board (CFB)
- Other Methodist Church related organisations such as MIC Ltd

1.10 News Hub Articles

Articles are regularly published on the TMCP website 'News Hub', providing information to Managing Trustees and their professional advisers on updates to the website, guidance on changes in legislation, training events, availability of trust statements and other relevant information. During the year there have been 17 articles published, providing guidance on topics including Charity Commission updates, Car Park licences, Trust training, Panel of Solicitors updates, Data Protection updates and more recently the Renters' Rights Bill. Managing Trustees are encouraged to sign up for the News Hub emails to be kept informed of current developments. The number of subscribers is currently in excess of 1,050.

1.11 Grants

TMCP continues to encourage grant applications to be made in respect of the discretionary funds for which the Board has responsibility. The protocols and details of how to apply are on the website.

The Board is pleased that, due to increased publicity across the Connexion, it paid grants totalling £459,282 for property and other projects from these trusts during the last financial year.

As well as overseeing the discretionary trusts as full trustee, the Board had sought specialist legal advice and has agreed a new trust deed for an all-encompassing trust with general charitable purposes aligned with those of the Methodist Church. The Board is now moving towards registering the trust at the Charity Commission and once registered it will be a vehicle to encourage the making of bequests which would be used for missional purposes of the Church.

1.12 Monitoring of Panel of Solicitors

The Framework Agreement between TMCP and the Panel firms sets out the overarching principles for the performance and management of the Panel. In its capacity as the Church's corporate body TMCP is party to the Framework Agreement meaning we have responsibility for ensuring the terms of the Framework Agreement are complied with.

Feedback questionnaires continue to be sent at the end of a transaction to all Managing Trustees who use the Panel. Feedback is an important part of the monitoring process and ensures that Managing Trustees receive a high level of service and advice. TMCP summarise statistics relating to use of the Panel for monitoring, reporting, management and addressing feedback and complaints.

TMCP hold quarterly face to face monitoring meetings with each firm on the Panel and training events regularly take place.

Following the successful re-tender of the Panel in 2023, TMCP led a new rollout of training to the Firms; Anthony Collins, Blake Morgan, Harrison Clark Rickerbys (HCR) and Sintons in Summer 2024. As part of this rollout representatives from each of the firms were invited to attend the Conference. All firms were in attendance over the duration of the six days promoting their services and encouraging the use of the Panel in wider areas of the Connexion.

Following the successful implementation of streamlining procedures for sales the team have been working hard to devise similar processes for both leases and purchases to assist with the streamlining of more types of transactions for the benefit of Managing Trustees. These processes are in their final stages and will be rolled out in the Connexional Year (2024/25). The streamlining procedure and the introduction of precedent documents for these types of matters are helping to make sure that TMCP can limit its involvement in transactions at time critical stages and ultimately transactions proceed much quicker.

2. Outcomes and achievements

2.1 The Finance Team

The Team supports the Board's role by planning and performing all financial operations relating to the receipts and payments of Model Trust monies as well as the investment of funds on behalf of Managing Trustees.

The Trust Information System (TIS) provides online access to trust statements, balances and other information. There were 3,088 users of the TIS at the end of 2023/24.

Key achievements 2024/2025 and ongoing strategies include:

- The average number of payments requested per month is 228 including Consents Payments.
- The average total value of payments is £6.9m per month.
- Payments are actioned within three working days of receiving the application (provided the application has been completed correctly).
- The average instructions outstanding at the end of each working month equate to 10 of all instructions received - these are primarily instructions received in the final two days of the month or items that are ongoing due to scheduled requested future payments.
- The relationship between TMCP Finance, Central Finance Board and the Connexional Team continues to flourish and we work collaboratively wherever appropriate to improve the overall service delivered to the wider Methodist Church.

2.2 The Legal Team

During the connexional year 2024/2025 Managing Trustees were assisted with guidance on new major redevelopment projects, property sales and purchases of new property as well as trust matters, bequests, ecumenical issues and other queries. The Team continues to enable Managing Trustees across the Connexion to secure income from their property to fund mission, including granting non-residential leases, residential tenancies, entering into licences and one-off booking forms.

Key achievements in 2024/2025 and since include:

- Phase 4 of the digitisation project is being implemented to make further improvements to the Matter Management System (MMS).
- The MMS integrates agreed Key Performance Indicators (KPIs) for timescales and performance and the team have daily targets to maintain.
- Each matter has a unique reference number which, when used ensures that correspondence reaches the correct legal officer and can be dealt with effectively and efficiently.
- There will be a revised way of contacting TMCP for new enquires and matters which is being developed following the implementation of the MMS. As part of this work, it has been identified that some enquiries need to go directly to the Connexional Team rather than TMCP. To facilitate this and provide for a more collaborative way of working between TMCP and the Connexional Team, the contact page on the TMCP website will be updated with clearer signposting. Alongside this if Managing Trustees submit an enquiry through the TMCP website it will be automatically redirected to the correct team, whether that is to a team within TMCP itself or to the relevant sections of the Connexional Team, such as Property Support, Evangelism and Growth, or Legal & Constitutional Practice.
- A live connection between the connexional database and TMCP's new MMS is being reviewed. The timeline is dependent upon the work the Connexional Team is undertaking to the connexional database but will mean that in due course TMCP will have instant access to the database and subsequently the consents system.

3. Key Strategies

- 3.1 Key strategies continue to be implemented. Delivery of these strategies has resulted in the streamlining of all internal processes and continues to lead to efficiencies which will positively impact performance. The current status of these strategies is outlined below:

IT Strategy (Fully Delivered)

- Configuration and implementation of the Matter Management System

- Implementation of new telephone systems using 365 Platform
- Procurement and implementation of a new Managed Service Provider for on-going IT Support

IT Strategy (In Progress)

- Migration of files to new digital platform and integrating agreed KPIs
- Review alternative Finance Systems, and plan for replacement software

Legal Strategy

In the main all items listed below have been successfully introduced and embedded in processes and are now continuing to be developed as part of this ongoing strategy.

- Introduction and increased use of KPIs in certain areas in line with the Service Level Partnership Agreement
- Streamlining – This is being extended across more types of legal work including development projects
- Continuing ways of improving ways of communication with Managing Trustees (MTs) with the feedback form being extended to include the work of TMCP.
- Introduction of more precedent documents and guidance for development transactions in conjunction with Property Support
- Continued training for Data Champions and a programme for Managing Trustees across the Connexion on what data protection means in the context of the Methodist Church
- More training and detailed guidance on bequests and trusts for Managing Trustees

Finance Strategy

- There is a continued review of processes. Streamlining and automating processes are being considered and will be implemented where appropriate. In the meantime, the team is maintaining high levels of performance.
- The introduction of KPIs is ensuring continued high levels of service delivery.
- There are regular meetings with Connexional partners to develop new ways of working.

Workforce Strategy

- As the new systems continue to be integrated, internal processes are being monitored to ensure adequate streamlining and automation is taking place.
- As a consequence of improvements now implemented a progressive team review is being undertaken to ensure the team continues to be fit for purpose moving forward and that resources are appropriately matched to needs.

4. Moving Forward

4.1 Development of a sustainable model providing support to the Connexion in future years

TMCP has continued to review its funding model currently based on a charge calculated as a percentage of the assets TMCP holds under its management. The current model raises a number of concerns, as well as unintended consequences, and the Board was mindful to move to a more dynamic and responsive system of income generation which relates to volume of work and ensures that on an ongoing basis services are adequately resourced to support the mission of the Church.

On reviewing options for a renewed funding model, the Board recognised that the simpler and more transparent a solution the better. It felt that there needed to be an alignment between the management charge we make and the costs of overseeing and administering Model Trust Funds.

TMCP has implemented many of the recommendations highlighted within the 2018 Working Party Report and the new Matter Management System is providing information which has greatly helped this review of funding.

In summary, rather than charge for all the work TMCP performs primarily via its management charge the Board wishes to split the costs down into three key charges as follows:

- In respect of the Legal Team cost element of time spent as custodian trustee on property matters – claim an amount from the CPF Levy.
- In respect of Legal work delegated by the Connexional Council under Standing Order 931(3), continue to be funded by the connexional budget ie the Methodist Church Fund (no change to the current model).
- In respect of the Finance Team, Central Team and Other Legal Team costs – revise the management charge made annually against Model Trust Funds.

The proposal above is included in the Connexional Central Service Budget paper elsewhere in the Conference Agenda (see Agenda item 23). Both the Council and TMCP recognise the need to ensure the long-term sustainability of any funding model. TMCP is committed to continue the discussions with the Council to ensure a fair and sustainable approach to funding over the longer-term.

4.2 Communication Strategy

TMCP is developing a Communication Strategy, its key purposes being to ensure stakeholders fully understand what TMCP does, to manage perceptions and expectations, engage more effectively with stakeholders and demonstrate the success of TMCP's work in assisting local churches so they engage more fully and safely in resourcing mission and ministry.

TMCP hopes to bring the Church up to date on how the organisation works whilst also recognising that many who work in the life of the Church do so in a voluntary capacity.

Over the next year TMCP intends to work through its strategy and

- Provide clarity on our role and gain a mutual understanding regarding Managing Trustees duties and responsibilities
- Review guidance notes to ensure these are clear, concise, accurate and clearly signposted
- Review the language the team uses to ensure explanations are easy to understand
- Instigate a feedback process which will assess on an ongoing basis the quality of service and communications

This list is not definitive but provides a flavour of the various ways TMCP will be implementing this strategy.

4.3 Board Recruitment

TMCP successfully recruited five new Board members to supplement the skills and experience of our Board, these were formally appointed at the Conference of 2024. The Board continues to oversee the work of TMCP and one of its key roles as helping to share more widely with Managing Trustees the role of TMCP and the positive impact it can have on the ability of Managing Trustees to engage with mission.

SECTION B

Membership of the Board

The Board is required to report to the Conference if any members have resigned, died, become bankrupt or made an assignment with their creditors, resided outside the United Kingdom for more than twelve months, refused or become unfit to act or ceased to be members of the Methodist Church so that new appointments can be made by the Conference on the nomination of the remaining members of the Board.

Changes in Office

1. Resignations

Mr Gerry Davis OBE resigned from the Board with effect from 10th May 2024. The Board recognises and appreciates his contributions to the Board and its sub-committees.

2. Board Membership as at 28 February 2025

The Revd Rosemarie E G Clarke
The Revd Paul Davis (Vice Chair)
The Revd Rodney Hill
The Revd Dr Jonathan Hustler
The Revd Gill Newton
The Revd Jennifer Pathmarajah
The Revd Philip Wagstaff

Mr Peter Baffoe
Mr Christophe Borysiewicz
Mr David James
Mr John Jefferson
Mr Thomas Rattigan
Mr Ian White (Chair)

SECTION C

Declarations under the Methodist Church Trust Deed 1939

From time to time property is bequeathed to the Trustees for Methodist Church Purposes where no express or special trusts are declared by the legatee or where those terms are uncertain or are wishes only. In such cases clause 2 of the Trust Deed of 1939 adopted by the Conference further to section 11 of the Methodist Church Act 1939 empowers the Conference to declare the trusts upon which the Board is to hold the property. One such case is as follows:

1. George Grainger Deceased

George Grainger, by his Will, bequeathed 1/9th share of his residue estate to "*The Trustees for Methodist Church Services of 1 Oldham Street Manchester M1 1JQ (registered charity number 1136358)*"

First, because no trusts have been declared this is a case where it falls to the Conference to declare the trusts further to the Deed of 1939.

Second, it has always been policy to reflect, as far as possible, the wish of the legatee in any Directions which the Conference gives to the Board. In this case, following enquiries, the Board has ascertained from the solicitors who administered the estate who have confirmed that it was George Grainger's intention that the bequest be held for the Methodist Mission in Britain Fund.

The Board therefore proposes Resolution 21/2 for adoption by the Conference.

2. Ruth Mary Hayton Deceased

Ruth Mary Hayton, by her Will, bequeathed £2,500 to "*Upon Trust to pay the sum of Two Thousand Five Hundred Pounds (£2,500) to the Trustees for Methodist Church Purposes (charity number 1136358) of the Methodist Church 1 Central Buildings Oldham Street Manchester M1 1JQ and I DECLARE that the receipt of the Treasurer or other authorised office shall be a sufficient discharge for my Trustees*"

First, because no trusts have been declared this is a case where it falls to the Conference to declare the trusts further to the Deed of 1939.

Second, it has always been policy to reflect, as far as possible, the wish of the legatee in any Directions which the Conference gives to the Board. In this case, following enquiries, the Board has ascertained from the Executor and the Superintendent Minister that Ruth Mary Hayton wished the bequest monies to be applied for the general purposes of the Middlesbrough & Eston Circuit.

The Board therefore proposes Resolution 21/3 for adoption by the Conference.

3. Harry Jerrard Deceased

Harry Jerrard, by his Will, bequeathed a 1/6th share of his residue estate to "*The Trustees for Methodist Church Purposes, Central Buildings, Oldham Street, Manchester, M1 1JQ AND I FURTHER DECLARE (without imposing any obligation or trust) that the benefit from my Residuary Estate received by the*

above Churches shall be used as far as possible for Bible teaching and Bible instruction among the young"

First, because no trusts were declared, this is a case where it fell to the Conference to declare the trusts further to the Deed of 1939 and second it has always been policy to reflect, as far as possible, the wish of the legatee in any Directions which the Conference gives to the Board.

The Conference directed in 1997:

"The Conference hereby declares that the bequest from the late Harry Jerrard shall be held by the Trustees for Methodist Church Purposes ('the Board') upon trusts as to both capital and income for Bible teaching and Bible instruction among the young and in the execution, exercise or operation of these trusts the Board shall be at liberty, at its sole discretion, to apply the whole or any part or parts of the capital and income for the time being held upon these trusts to such charity or charities having purposes similar to the trusts hereby declared as the Board may determine"

The Board would like to apply the capital and income to a wider age demographic and therefore proposes Resolution 21/4 for adoption by the Conference.

4. Elizabeth Wood Deceased

Elizabeth Wood, by her Will, bequeathed £2,000 to *"The Methodist Church of Methodist Property Office Central Buildings Oldham Street Manchester M1 1JQ the sum of Two Thousand Pounds"*

First, because no trusts have been declared this is a case where it falls to the Conference to declare the trusts further to the Deed of 1939.

Second, it has always been policy to reflect, as far as possible, the wish of the legatee in any Directions which the Conference gives to the Board. In this case, following enquiries, the Board has ascertained from the family of the late Elizabeth Wood that she had no association with the Methodist Church following the closure of the Barnham Methodist Church. Her Will is dated 4 years after the church closed.

Previous advice from the Connexional Solicitors has confirmed that gifts to the former Property Office were deemed to be gifts to the TMCP Board, as the correct custodian trustee.

The Board therefore proposes Resolution 21/5 for adoption by the Conference.

5. Gordon Barry Stunt Deceased

Gordon Barry Stunt, by his Will, bequeathed 25% of his residue estate to *"The Trustees for Methodist Church Services of Oldham Street Manchester M1 1JQ"*

First, because no trusts have been declared this is a case where it falls to the Conference to declare the trusts further to the Deed of 1939.

Second, it has always been policy to reflect, as far as possible, the wish of the legatee in any Directions which the Conference gives to the Board. In this case, following enquiries, the Board has ascertained from the solicitors who administered the estate and the Managing Trustees of the Bourne Methodist Church in the Stamford Circuit that Gordon Barry Stunt was an active member of Bourne Methodist Church prior to his death.

The Board therefore proposes Resolution 21/6 for adoption by the Conference.

*****RESOLUTIONS**

21/1. The Conference received the Report.

21/2. The Conference hereby directed that the bequest of George Grainger shall be held by the Trustees for Methodist Church Purposes on the Model Trusts for the benefit of the Methodist Mission in Britain Fund.

- 21/3. The Conference hereby directed that the bequest of Ruth Mary Hayton shall be held by the Trustees for Methodist Church Purposes on the Model Trusts for the benefit of the Managing Trustees of the Middlesbrough and Eston Methodist Circuit.
- 21/4. The Conference hereby directed that the bequest of Harry Jerrard shall be held by the Trustees for Methodist Church Purposes (*'the Board'*) *upon trusts as to both capital and income for Bible teaching and Bible instruction and in the execution, exercise or operation of these trusts the Board shall be at liberty, at its sole discretion, to apply the whole or any part or parts of the capital and income for the time being held upon these trusts to such charity or charities having purposes similar to the trusts hereby declared as the Board may determine.*
- 21/5. The Conference hereby directed that the bequest of Elizabeth Wood shall be held by the Trustees for Methodist Church Purposes on the Model Trusts for its administrative purposes.
- 21/6. The Conference hereby directed that the bequest of Gordon Barry Stunt shall be held by the Trustees for Methodist Church Purposes on the Model Trusts for the benefit of the Managing Trustees of the Bourne Methodist Church.