

22. Trustees for Methodist Church Purposes (TMCP)

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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 2021.

SECTION A: GENERAL REPORT

1: MISSION STATEMENT, GOVERNANCE AND KEY ROLES

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.

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 help the Church to achieve 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 its 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 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 hope to help and support Managing Trustees across the Connexion to build a sustainable mission-led future.

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.

Board members

Our Board members are members of the Methodist Church and they are 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 members. A list of current Board members is available from TMCP's website: <https://www.tmcp.org.uk/meet-the-team>.

Working together with Managing Trustees

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 4,000 local churches, 342 Circuits and 30 Districts.

The Board is also custodian of the funds held in 5,683 trusts, a small number of which are under the direct management of the Board and 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>
<ul style="list-style-type: none"> • We hold legal title. • We have a duty to ensure Managing Trustees do not act in breach of trust. 	<ul style="list-style-type: none"> • They are responsible for the day to day management of the property • They exercise power or discretion in respect of the property

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| <ul style="list-style-type: none">• We do not get involved in the day-to-day management.• We can only act under the lawful direction of Managing Trustees |
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The activities of the Board include, but are not limited to:

- Effecting all sales, purchases and leases of property by Church bodies and 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.

Working together with the Methodist Council

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

The Board is extremely pleased that 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.

The Agreement guides the relationship between the Board and the Methodist 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-focussed.

The Secretary of Conference and the Conference Officer for Legal and Constitutional Practice (COLCP) together with the Chair and Chief Executive of TMCP continue to hold half-yearly meetings, primarily to complete the necessary periodic review and monitoring.

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 and entering into the framework agreement and management of the Panel of Solicitors on behalf of the Methodist Church.

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).

Following the introduction of the General Data Protection Regulations (GDPR) and the Data Protection Act 2018, it is necessary for the Connexional Team to have a separate Notification with the Information Commissioners Office (ICO). The separate registration ensures that the

Connexional Team is a data controller for ICO to cover those data processing activities which fall outside TMCP's registration and for which they are solely responsible.

Under the Connexional Team's registration, the issues which affect Managing Trustees are: safeguarding and complaints and discipline issues. This means that the Connexional Team is responsible for all data protection matters concerning safeguarding and complaints and discipline issues for the whole Methodist Church.

TMCP and the Connexional Team continue to work together to provide data protection resources to the wider Connexion, including precedent documents, policies, practical guidance and frequently asked questions.

In the year to 31 August 2021 TMCP organised two online forums for District Data Champions to bring them up to speed on current developments in Data Protection and to provide support and guidance as needed. As Data Controller, TMCP requires 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 to be completed by local Managing Trustees and reported back via the Circuit and District who have collated the returns to confirm that they are fulfilling their responsibilities with regard to GDPR.

TMCP continues to act as a point of reference on matters arising in respect of both registrations and also co-ordinated nine Data Subject Access Requests (DSARs) in the Connexional year 2020/21. In addition, TMCP was dealing with one DSAR received at the end of August 2020. Of these nine DSARs, TMCP dealt with five and helped/co-ordinated with the Connexional Team on four. The DSARs are recorded in TMCP's SAR Register.

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.

Key stakeholders include:

- managing trustees including the Methodist Council;
- District Chairs;
- District Property Secretaries;
- Circuit Superintendents;
- District, Circuit and Church Treasurers;
- Connexional Conference Office, Property Team and the Property Development Committee;
- Panel Solicitors;
- external solicitors and surveyors;
- Central Finance Board (CFB);
- other Methodist Church related organisations such as MIC Ltd.

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 30 articles published, many of which have provided specific guidance on the rapidly changing situation with COVID-19, produced in co-ordination with

the Connexional Team to complement the material available on the Methodist website. 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 1,000.

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 and through the Property Development Committee, it paid grants totalling £827,515 for property and other projects from these trusts during the last financial year.

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 are 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 are receiving a high level of service and advice. TMCP are summarising 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. Training events regularly take place.

Following the extension of the framework agreement, TMCP have been working closely with the three Panel firms; Anthony Collins, Blake Morgan and Sintons, to ensure Managing Trustees had the opportunity to meet with them.

The Legal Managers have met with all the firms to discuss the implementation of the new streamlining process and agree the set documentation to be used. The streamlining procedure and the introduction of precedent documents should help to make sure that TMCP can limit its involvement in transactions when buyer/tenants have been found (the time critical stage) and ultimately transactions should proceed much quicker.

2: OUTCOMES AND ACHIEVEMENTS

Full details of the volume of property transactions undertaken in 2020/21 and the financial transactions processed can be found in our full Annual Report and Accounts, which is available on our website.

The Finance Team

The Team supports the Board's role as custodian trustee 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 provides online access to trust statements, balances and other information. There were 2,765 users at the end of 2020/21.

Key achievements 2020/21 include:

- the month end completion process has moved from nine working days down to an average of five working days which has resulted in information being available earlier for Managing Trustees;
- the average number of payments requested per month is 185 including consents payments;
- the average total value of payments has increased to £4.1m per month;
- payments have been actioned within three working days of receiving the application (provided the application has been completed correctly);
- the average outstanding at the end of each working month is 10% - this relates to post received in the final two days of the month or items that are ongoing due to schedule of requested future payment;
- the current number of open Trusts is 5742.

The Legal Team

The Team continues to help Managing Trustees across the Connexion to secure income from their property to fund mission including granting non-residential leases, residential tenancies and entering into licences and one-off booking forms. During the connexional year 2020/21 they continued to assist Managing Trustees 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.

Key achievements 2020/21 include:

- the introduction of streamlining in sales where the panel of solicitors is used;
- guidance and support for the changes to renting properties in Wales;
- working with the Scotland District for the creation of a panel of solicitors in Scotland;
- training for data champions and the new annual return form;
- guidance for use of Methodist property for Ukrainian refugees;
- more assistance on specific streams of work for the Connexional Team.

3: KEY STRATEGIES

There is a number of key strategies being rolled out currently in respect of the work performed by TMCP. Delivery of these strategies will result in the streamlining of all internal processes and continue to lead to efficiencies which will positively impact performance. The Board and team continue to invest resources to achieve these outcomes. The current status of these strategies is outlined below:

IT Strategy (delivered)

- upgrade of office computers to laptops running Windows 10 for remote working;
- migration of email to Microsoft 365 on 'tmcp.org.uk' domain;
- digital ways of working implemented;
- procurement of a Matter Management System;
- initial user training on Microsoft 365, Teams and SharePoint;
- start of file migration to Microsoft 365.

IT Strategy (in progress)

- configuration and implementation of the Matter Management System;
- implementation of new telephone systems using Microsoft 365 Platform;
- procurement of a new Managed Service Provider for on-going IT Support;
- migration of files to new digital platform and integrating agreed Key Performance Indicators (KPIs);
- review alternative Finance Systems, and plan for replacement software.

Legal Strategy

- introduction and increased use of KPIs in certain areas in line with the Service Level Partnership Agreement (SLPA) between the Board and the Methodist Council;
- streamlining – 2022 will see this extended across more types of legal work;
- improved ways of communication with Managing Trustees (MTs);
- a panel of solicitors for Scotland;
- more guidance and training for MTs – for example, ecumenical website pages, more precedent documents, and continued training for data champions;
- implementing further integrated ways of working with connexional colleagues and Districts, including District Property Secretaries.

Finance Strategy

- Ground-up Review of Processes:
 - the month-end processes have been reviewed and work has begun in starting to streamline the month end;
 - an internal Audit has been undertaken to ensure that the process changes are robust and that controls in place are appropriate.
- Improved Engagement with External Parties:
 - the team continues to communicate with Managing Trustees via email and telephone creating stronger relationships;
 - the relationship between TMCP Finance, Central Finance Board and Methodist Church House continues to flourish and we work collaboratively where appropriate to improve the overall service delivered to the wider Methodist Church.

Workforce Strategy

- role/salary review against market;
- implementation of a performance review policy;
- building a culture in which the team feel valued.

4: COLLABORATIVE WORKING AND CHALLENGES

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

Having completed phase 1 of the Digital Transformation Project and with phase 2 underway the TMCP Board believes that this investment will provide a solid working platform for the organisation going forward. The continued investment in resources in terms of the staff team and IT systems, together with the implementation of change management and streamlining of systems, will have a positive effect on the services TMCP provides to the Connexion.

There continue to be challenges in respect of resourcing. The TMCP Board will be considering sustainable funding options to ensure its continued service in future years. In the meantime, the Board thanks all its partners across the Church for their continued support and collaboration.

The Service Level Partnership Agreement noted that one of the purposes of the agreement is to ensure appropriate levels of funding are available to maintain service levels. Discussions are being held as part of the monitoring and reporting process to discuss staff resourcing, decide upon new charging mechanisms and ensure a balanced budget. The focus on whether or not TMCP has adequate resources has sharpened since January 2022 as the flow of work continues to increase and additional pressures are being felt across the team.

In the meantime, TMCP and the Connexional Team continue to collaborate successfully and are carefully ensuring that any systems and IT developments across both teams can dovetail together as much as possible.

The Board recognises and values very much the efforts that the TMCP team have made as systems are developed and especially under the ongoing difficult circumstances presented by Covid-19. They are proud of the achievements of the team to date and are looking forward to the ongoing advancement and streamlining of our systems.

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 Ralph Dransfield has indicated his intention to resign as a member of the Board prior to the Conference 2022 and has contacted the Secretary of the Conference accordingly. The Board recognises and deeply appreciates the significant contribution made to the Board, its subcommittees and the wider life of TMCP by Ralph over a very prolonged period of time.

2. Board Membership as at 28 February 2022

The Revd Rosemarie E G Clarke	Mr Gerry Davis OBE
The Revd Paul Davis	Mr Ralph Dransfield
The Revd Rodney Hill	Mr David James
The Revd Simon Leigh	Mr John Jefferson
The Revd Gill Newton	Ms Alethea Siow (Vice-Chair)
The Revd Philip Wagstaff	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 1939 Act empowers the Conference to declare the trusts upon which the Board is to hold the property.

Alice Overbury Deceased - Trust 22551, Portchester Methodist Church, East Solent & Downs Circuit – 26/7

By her will Alice Overbury left the following bequest:

“The sum of ONE THOUSAND POUNDS (£1,000) free of inheritance tax to each of the following charities:

- a) *THE TRUSTEES FOR METHODIST CHURCH PURPOSES (Registered Charity Number 1132208)*

The Registered Charity Number is that of the Methodist Church in Great Britain

The company dealing with the administration of the estate, Stewardship Wills & Probate, have informed TMCP Legal that Alice Overbury attended the Portchester Methodist Church in the East Solent & Downs Circuit. The Treasurer of Portchester Methodist Church has confirmed that Alice Overbury was an active member of the Portchester Methodist Church before she died.

As already mentioned, the Registered Charity Number cited in the Will is that of the Methodist Church in Great Britain. Due to the wording of Alice Overbury’s Will, it is recognised that the Methodist Church in Great Britain cannot act as a custodian trustee as it is not a corporate body. The bequest monies were paid to TMCP in October 2021 and are currently held in Trust 22551.

In this instance a Declaration under the Methodist Church Trust Deed 1939 is required for two reasons:

1. The ‘Methodist Church in Great Britain’ is not capable of being a custodian trustee as it is not a body corporate. Previous advice sought from Lynn John of Potheary Witham Weld deduced that such wording or similar, such as Central Office or the Central Finance Board, are to be read as referring to the TMCP Board; and
2. There have been no trusts declared as to how the monies should be used.

Following enquiries, the Board has ascertained from the solicitors who administered the estate and the Managing Trustees of the Portchester Methodist Church in the East Solent and Downs Circuit that Alice Overbury was an active member of Portchester Methodist Church prior to her death.

*****RESOLUTIONS**

22/1. The Conference received the Report.

22/2. The Conference hereby directed that the bequest of Alice Overbury shall be held by the Trustees for Methodist Church Purposes for the benefit of the Managing Trustees of the Portchester Methodist Church.